



A policeman fires a tear-gas grenade during yesterday's student demonstration in Jerusalem. Students (below) take flight to avoid the gas. (Brian Hender)

Police use tear-gas to break up student demo

By BERNARD JOSEPHS
Jerusalem Post Reporter

Baton-wielding police and stone-throwing students fought a running battle near government offices in Jerusalem yesterday when a mass demonstration to protest against plans to increase tuition fees turned violent.

A female student and several policemen were hurt and seven people were arrested — including the head of the Hebrew University Students' Union — in the second violent clash between police and student demonstrators in two days.

On Tuesday eight persons were arrested when police stopped a march by more than 2,000 students in Tel Aviv.

Last night student leaders said they would hold another rally in Jerusalem next Wednesday.

The two sides clashed yesterday under a haze of tear gas that had demonstrators and passers-by sneezing, weeping and gasping for breath.

The order to fire gas canisters was given by Chief Superintendent Eitan Katz, after many of the 1,000 students rallying outside the Prime Minister's Office headed towards the Treasury.

Security men at the Treasury locked the doors as the students approached, and mounted police raced ahead of the demonstrators in a bid to cut them off.

Despite police efforts to check their advance, the students pressed

forward, and some began hurling stones. A number of policemen were hit and lightly injured and the windshield of a passing car was smashed.

Police then opened fire with tear gas, and the demonstrators, many of them severely affected, fell back. In the melee a girl student suffered leg injuries when a police horse stepped on her. She was taken to hospital.

Pushed back to the garden opposite the Prime Minister's Office, the students and helmeted police and Border Police faced each other in an angry stand-off. As the demonstrators chanted "Police state, police state," mounted officers forced them back and a series of arrests were made.

One of the first to be arrested was Hebrew University Students' Union chairman Uri Ben-Hur, who a few moments earlier had appealed to his followers to calm down.

Finally, three hours after the start of the demonstration, the rally broke up, after an apparent agreement by police to free those arrested after they had been questioned.

As the crowd dispersed, Berman assailed police tactics. "I have never seen such a strong reaction," he said. "There is no question that they used strong-arm tactics that were just not necessary."

Jerusalem Police Chief Yosef Yehudi rejected charges that the men had over-reacted. Only the necessary force was used, he said.

Inner cabinet names two-man panel to work alongside Knesset committee

Two teams to probe Pollard affair

By BENNY MORRIS
Post Diplomatic Correspondent

The inner cabinet yesterday appointed a two-man investigating committee to probe the Pollard affair, in tandem with the Knesset sub-committee investigation which begins this morning.

The senior ministers, acting on a proposal by Finance Minister Moshe Nissim, named former Supreme Court president Moshe Landau and former IDF chief of general staff Rav-Aluf (Res.) Zvi Tzur to what they called a *va'adat be'ur* (inquiry committee), which is expected to submit its findings to the ministers within "six-to-eight weeks," according to senior sources. It is understood that Foreign Minister Peres insisted that the ministerial meeting not break up without deciding on an investigation.

The sources explained that the assembly of 10 senior ministers was prompted to this step by a desire to "restore credibility to the government, especially in the eyes of the Israeli public and American Jewry."

In an unusual announcement after the meeting, the inner cabinet effectively reiterated the government's apology to the U.S. over the Pollard affair.

Abba Eban, the chairman of the sub-committee for the intelligence services, which also is to probe the Pollard affair, said last night that the appointment of the new committee would have "no effect" on his investigation. Eban "noted with satisfaction" the inner cabinet's announcement that the cabinet



Moshe Landau



Zvi Tzur

would assist the sub-committee's probe. Eban suggested that the appointment of the *va'adat be'ur* was prompted by his announced intention to investigate the Pollard affair in the sub-committee. "Until then," said Eban, "Prime Minister Shamir had flatly opposed any sort of investigation. Now government policy has changed."

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The inner cabinet statement, read to newsmen yesterday afternoon by cabinet secretary Elyakim Rubinstein, did not name the committee members, but it was understood that Tzur agreed to be one of the members and that Justice Landau, who has also been asked to serve, will give his reply "within 24 hours."

The exact relations between the government-appointed committee and the investigating sub-committee remained unclear yesterday, but both Eban and the senior sources, who are close to Shamir, said that the situation would be "as in the U.S. with Irangate. In the U.S., there are two or more committees of investigation — a committee appointed by the executive and a Senate committee — carrying out simultaneous investigations. So this will be the case here."

Sources close to the inner cabinet said yesterday that the government-appointed committee would be "more important" while the Knesset sub-committee will "merely go through the motions of asking questions and receiving answers, as it does routinely in other matters." Both committees, noted the sources, will not have powers of subpoena and their recommendations will not be legally binding on the government.

But sources close to Shamir said that, given the moral weight of the government-appointed committee members, the cabinet will have little possibility of ignoring its recommendations. The sources added that the committee will probe the actions of both the field operatives and the political echelon in the Pollard affair.

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America welcomes cabinet move

By WOLF BLITZER
Jerusalem Post Correspondent

WASHINGTON. — Secretary of State George Shultz yesterday said he was very distressed that Israel had "spied against the United States" by operating Jonathan Jay Pollard in Washington.

U.S. officials privately welcomed the cabinet's decision to establish an investigatory committee to look into the Pollard affair. "That sounds like the right way to go," one State Department source said.

But there were no public statements reacting to the Israeli decision. White House spokesman Marlene Fitzwater declined to comment on the development.

U.S. officials are convinced that

"the ball is in Israel's court" right now and that it is largely up to Israel to ease the current crisis in relations with the U.S. At a minimum, the Americans are hoping that Israel will seriously punish those Israeli officials who were involved in the Pollard espionage ring and that Israel also will cooperate "fully" with the continuing U.S. investigation.

Morris Abram, chairman of the Conference of Presidents of Major American Jewish Organizations, welcomed the cabinet's decision. "The appointment by the Israeli Government of an investigatory commission on the Pollard affair is the kind of response one would hope for and expect from a vital and functioning democracy," he said.

All governments make mistakes, but democratic nations have a responsibility and a capacity to examine what went wrong and to take corrective action. I am encouraged that Israel had now acted in this spirit."

Testifying before the House Appropriations Subcommittee on Foreign Operations, Shultz described the Pollard espionage ring as "very painful" precisely because Israel was the country involved. Shultz, sounding both angry and sad, pointedly did not refer to Israel's insistence that the operation was unauthorized, as he has in the past.

The secretary, who has been an outspoken supporter of Israel, was asked about the Pollard affair by Democratic Representative Matthew

McHugh of New York. In response, Shultz expressed his deep frustration over the way the Israeli government has behaved.

After Pollard's arrest on November 21, 1985, Shultz said, the U.S. had asked Israel to cooperate in the investigation. He said that specific arrangements had indeed been made with Israel and there was cooperation "up to a certain degree."

But Israel's decision to promote Air Force Col. Aviem Sella to command the Tel Nof base and to name Rafael Eitan chairman of Israel Chemicals indicated that Israel was not willing to take appropriate actions against Pollard's chief handlers. The U.S., Shultz said, will have nothing

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Baron was 'in the dark' about Sella

By BENNY MORRIS
Post Diplomatic Correspondent

Former Foreign Ministry official Hanan Baron, head of the Israeli team that assisted U.S. investigators probing the Pollard affair in the winter of 1985/1986, was kept "completely in the dark" by his political superiors about the existence and role of Air Force Col. Aviem Sella in the affair.

According to knowledgeable sources in Jerusalem, Baron, who together with former General Security Service (Shin Bet) chief Avraham Shalom and lawyer Ram Caspi, "assisted" the U.S. investigators, led by State Department legal adviser Judge Abraham Sofaer, was "taken for a ride" by Prime Minister Shimon Peres, Foreign Minister Yitzhak Shamir and Defence Minister Yitzhak Rabin.

Baron last night declined all comment on the matter. Baron, who has just retired as deputy director general of the ministry, was instructed to assist the Americans in the questioning of Rafi Eitan, the head of the now defunct Scientific Liaison Bureau, the intelligence unit that "ran" convicted American spy Jonathan Pollard, and of Eitan's assistants.

The sources said that American officials now view as a "case of Israeli hushpup" the fact that Shalom was included in the Israeli assistance team set up in December 1985, in the light of the subsequent revelation that Shalom's credibility had already been badly maulled by

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Sella expects to remain at Tel Nof post

By JOSHUA BRILLIANT
and BRADLEY BURSTON
Jerusalem Post Reporters

TEL AVIV. — The newly appointed commander of the Tel Nof Air Force base, Aluf Mishne Aviem Sella, expects to stay at his post despite the furor over his involvement in the Pollard affair and the American boycott of him and his base.

Sella took over a fortnight ago despite American indications that the move would lead to a boycott which would harm the strategic cooperation between the two countries.

In part Sella won the appointment because of a misunderstanding between Defence Minister Yitzhak Rabin and Chief of General Staff Moshe Levy.

Rabin had postponed Sella's appointment four times apparently

waiting for American anger to dissipate. He had wanted to wait still longer, but Levy apparently misunderstood his intentions and authorized a handing-over ceremony to which hundreds of guests, including the U.S. military attaché, were invited.

The minister was then forced to decide — and he approved the appointment.

Reports of the appointment unleashed a wave of condemnation in Israel and the U.S. One senior military source told *The Jerusalem Post* that it would not be a bad idea if Sella quit.

The IDF's chief spokesman, Tat-Aluf Ephraim Lapid, said yesterday that media disclosures of Sella's activities "are obviously having an influence on the soldiers under his command." But he added that the IDF

was doing everything in its power to distance itself from the Pollard affair, and that Sella's involvement had been "marginal."

"Soldiers read newspapers, listen to the radio, and watch television like all other citizens," Lapid said at a press briefing in Beersheba.

"When a commanding officer is exposed ... this will naturally have an impact on the way his troops look at him. On the larger level, however, since the body responsible [for the Pollard affair] had absolutely no connection with the army, there should be no direct consequences on the IDF as a whole."

Lapid stressed that although Sella was sent to the U.S. under army auspices, "he went there for the express purpose of pursuing his studies. And he wasn't studying espionage."

Lapid rejected suggestions that the appointment of Aluf Amos Yaron as official military escort during the impending visit of U.S. Secretary of the Army John Marsh was ill advised. Yaron's nomination as military attaché to the U.S. and Canada was recently turned down by Ottawa in a move widely seen as linked with U.S. displeasure over the Pollard case.

"From our standpoint, we intend to see that every possible effort is made to ensure that our crucially important personal and professional relationship with the U.S. military will not be harmed by this very unfortunate affair. And Secretary Marsh's visit, though it was planned long ago and without any connection to the Pollard case, is a part of this effort," Lapid said.

Seeks to take her place on Yeroham religious council

Lea Shakdiel goes to High Court

By HAIM SHAPIRO
Jerusalem Post Reporter

Lea Shakdiel, whose appointment to the Yeroham religious council has been held up for more than a year because she is a woman, yesterday petitioned the High Court of Justice to force Religious Affairs Minister Ze'evulun Hammer to make the appointment.

Her petition came only a day after the Chief Rabbinate Council voted unanimously to reject the appointment of women to religious councils.

Their vote was evidently designed to block Hammer, who had been expected to install Shakdiel in her post this week despite opposition from religious circles.

The vote, which ostensibly came

in response to a question from Knesset Interior Committee chairman Dov Shilansky, came as an unwelcome surprise to ministry officials who noted that Shilansky made his query many months ago.

Tova Lichtenstein, Hammer's adviser on women's affairs, said in a radio interview that she was uncertain if the vote was considered a halachic ruling. If so, she added, she was not qualified to comment. If the vote was not a halachic ruling, she said, she would characterize it as unwise.

Rabbi Eitan Eisman, director-general of the Chief Rabbinate, told *The Jerusalem Post* yesterday that all votes by the Chief Rabbinate Council carry the weight of halachic rulings. He said he was surprised that

Lichtenstein should even question this.

But despite Eisman's assurances, Hammer yesterday sent a letter to the chief rabbis, asking them exactly what the council's decision meant. One ministry official pointed out that the language of the decision, in which the council "rejects the presence of women on religious councils," left room for doubt.

"There is no such word as 'reject' in the vocabulary of halachic decisions," the official said, adding that the customary word one might have expected was "forbid."

Meanwhile, as Hammer goes to court against Shakdiel, the view of at least some observers is that he would prefer to lose the case.

2 Israelis held in U.S. in \$4m. insider-trading scam

Jerusalem Post Staff
and News Agencies

Two Israelis were charged by the U.S. Securities and Exchange Commission (SEC) yesterday with masterminding an insider trading scheme that netted them more than \$4 million.

Named in the civil suit, which was filed in Manhattan U.S. Federal

Court, were Nahum Vaskevitch head of Merrill Lynch's mergers and acquisition department in London and a dual British-Israeli citizen, and David Sofer, a Jerusalem resident.

The SEC complaint said Vaskevitch leaked inside information, that is information not generally available to the public, on 12 companies

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Iran sends U.S. captured T-72s

WASHINGTON (Reuters). — Iran has sent several Soviet T-72 tanks, captured from the Iraqis in the Gulf war, to the U.S., the National Broadcasting Corporation said last night.

According to the NBC report, the

tanks, which are on their way to the U.S., were sent via a West European country. The despatch of the tanks was part of the deal whereby Iran received arms from the U.S., and was arranged before the Iran-Contras scandal broke.

Parents win court injunction

Boy can't visit Aids-stricken uncle

By YORAM GAZIT
For The Jerusalem Post

TEL AVIV. — The Tel Aviv District Court has banned meetings between a 12-year-old boy and his uncle, who is stricken with Aids.

The court consented to the appeal of the boy's father and gave the order for seven days, until it hears testimony from medical experts and the boy's mother, who is caring for her brother.

The court order also ruled out contact between the boy and his grandparents, at whose house the patient is staying.

The Aids victim, a well-known Israeli fashion designer in his early 40s, was brought to Israel about three months ago after catching the disease in the U.S.

Medical experts around the

world say that Aids cannot be transmitted without intimate sexual contact or an exchange of blood.

The fashion designer, according to his brother-in-law, was known as a homosexual for a long time and lived openly as such in London, in the U.S. and in the Philippines.

However, five months ago, while in the Philippines, he found out that he had caught the disease, according to his brother-in-law.

At that point he returned to the U.S. for treatment, and the sister and her parents flew there to help him and to bring him back to Israel.

The brother-in-law told *The Jerusalem Post* that at first the designer concealed the fact that he had caught Aids and told them he was sick with cancer. But later he told the family the truth. "But

nevertheless I still think he was smuggled into Israel as a cancer patient," he said.

The brother-in-law, who comes from a respected Hassidic family, said: "What my wife was doing in taking our son to see her sick brother was suicide. This is our only son, and I feared for his life. Therefore I had to ask the court to help me save my son."

The man added that since his wife had started to treat her brother, his own life had become "hell." He had been ostracized by his family, he said.

"Meanwhile, I had to tell my son about his uncle's disease and the danger it contained for him. The boy became very tense and started to neglect his studies," the man said.

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GENEVA	-2	-8	1	34	49	Clear
HELSINKI	-10	-14	0	32	49	Clear
HONG KONG	21	19	22	70	72	Clear
JAKARTA	15	15	21	59	70	Clear
LONDON	13	15	19	55	64	Cloudy
MADEIRA	8	12	16	46	61	Cloudy
MONTREAL	-2	-4	-10	28	44	Clear
NEW YORK	-1	-5	-2	28	44	Cloudy
OSLO	-12	-16	1	34	49	Clear
PARIS	9	12	16	46	61	Cloudy
SAO PAULO	12	16	21	54	64	Cloudy
STOCKHOLM	18	21	1	64	49	Cloudy
TOKYO	2	16	1	46	64	Cloudy
TORONTO	-15	-5	-2	23	44	Cloudy
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THE WEATHER

Forecast: Partly cloudy, with rain starting in evening in north and central region. Outlook for Friday - rain.

	Yesterday's	Yesterday's	Today's
	Humidity	Min-Max	Max
Jerusalem	57	5-11	12
Golan	87	2-8	10
Safed	87	2-6	7
Tiberias	74	6-14	15
Nazareth	74	6-10	12
Afula	70	6-15	16
Shomron	55	5-12	13
Tel Aviv	44	7-16	18
B-G Airport	58	5-16	18
Jericho	35	6-21	23
Gaza	53	8-17	18
Beersheba	30	5-18	18
Eilat	10	15-24	26

SOCIAL & PERSONAL

Swissair president Robert Staubli and Israel general manager Alex Ackerman gave a cocktail party last night at Tel Aviv's Dan Hotel to mark 40 years of their airline's services to Israel.

The Tel Aviv-Jaffa Rotary Club will not meet today because of the Fast of Esther.

ARRIVALS

Burton S. Levinson, national chairman, and Abraham H. Foxman, associate national director, Anti-Defamation League of B'nai B'rith.

Shazar Prize to Abba Eban

Jerusalem Post Reporter
Knesset Foreign Affairs and Defence Committee chairman Abba Eban is to be awarded the 1987 Shazar Prize of the Israel Historical Society early next month in New York. Presenting the award will be the society's president, Nobel laureate Elie Wiesel, and Prof. Salo Baron, the 92-year-old doyen of Jewish historians.

A "committee of tribute" formed to celebrate the award includes three former U.S. secretaries of state - Henry Kissinger, Cyrus Vance and Alexander Haig; the president of the three religious universities - Yeshiva's Prof. Norman Lamm (Orthodox), Hebrew Union College's Prof. Alfred Gottschalk (Reform), and the Jewish Theological Seminary's Prof. Ismar Schorsch (Conservative); the heads of Princeton, Columbia and Yale universities, and the president of the Public Broadcasting Service, which will shortly make a third coast-to-coast broadcast of Eban's *Heritage* series.

A group of Hebrew University historians led by Prof. Shmuel Ettinger, who met Eban in his Knesset office, informed him that the award was a tribute to "his efforts through writing and television, and the style of his exposition, to ennoble the heritage of the Jewish people."

HOME NEWS

Rabin to appear before Pollard committee today

By ASHER WALLFISH
Post Knesset Correspondent

Abba Eban, chairman of the Knesset panel which announced on Monday that it would study the Pollard espionage affair, yesterday welcomed the inner cabinet's appointment of a two-man examination commission, and said that "both bodies will work in parallel, as is often the case in the United States."

Eban chairs the Knesset Foreign Affairs and Defence Committee, as well as its subcommittee on intelligence and security services. The subcommittee starts its work on the affair this morning, with the appearance of Defence Minister Rabin.

Eban told *The Jerusalem Post*: "We decided to go into the affair at the beginning of the week when Prime Minister Shamir kept repeating that the matter was closed. The committee's stand on Monday contributed to today's inner cabinet breakthrough."

"At the outset, nobody was handling the affair. Now the area is well covered, and the inner cabinet's two appointees are both competent and highly reputable. Justice Moshe Landau and Rav-Aluf Zvi Tzur (res.) may well enjoy wider access than the Knesset body."

Two members of the Knesset subcommittee said that their body could "find out the facts and submit the appropriate conclusions to the government to help prevent a recurrence of the affair."

The Mapam opposition faction, however, called the consideration of the affair in the subcommittee "a fraud and a fig-leaf which can never serve as substitute for a statutory commission of inquiry."

Mapam leader Elazar Granot, invited by committee chairman Eban to serve *ad hoc* on the subcommittee for intelligence and security services, described Eban's announcement on

Monday that the subcommittee would do whatever was necessary to probe the Pollard affair, as "irresponsible and wanting in courage."

In any case, Eban's unilateral decision to coopt two opposition MKs from the full committee to the subcommittee encountered strong reservations within the Likud bloc on the subcommittee.

Granot wrote Eban, declining to serve on the subcommittee since it had no power to subpoena witnesses and put them on oath.

The second candidate for cooptation, Rafael Eitan (Tehiya) said that because of Likud objections he did not know if he could attend today, even though he had been invited by Eban in writing.

One of the three Likud men on the subcommittee, David Magen, said: "While we have the status of the permanent subcommittee on intelligence and security services, we should not agree to coopt anybody. In the event of the Knesset changing our status to that of a parliamentary commission if inquiry, we would obviously widen our membership."

Two members of the subcommittee, Simha Dinitz (Alignment) and Ehud Olmert (Likud), told *The Post* that, as in the past, the subcommittee would not be denied access to officials and to documents, and could formulate useful recommendations which the government would implement.

Dinitz said: "I anticipate complete cooperation on the part of ministers, officials, and other parties as well. We have an advantage over a state commission of inquiry in that we are a permanent body which investigates and follows up on its initial findings. State inquiry commissions in the past, like the Agranat Commission after the Yom Kippur War, called for the appointment of a national security council and advisers. But the recommendation was ignored."

'Pollard not allowed to meet family'

By WOLF BLITZER
Jerusalem Post Correspondent

WASHINGTON - Jonathan Jay Pollard has not been able to talk with any member of his family since he was sentenced to life imprisonment last week, his father-in-law said yesterday.

Bernard Henderson also told *The Jerusalem Post* that he remained deeply concerned that his daughter, Anne Henderson-Pollard, could actually die in prison. She is serving a five-year sentence for helping her husband.

Henderson said that "no one has

heard one word from Jay - to this moment." Pollard is currently in the federal prison in Springfield, Missouri. He was moved there from the federal prison in Petersburg, Virginia, after receiving numerous death threats.

Henderson expressed his deep concern over the physical welfare of his 26-year-old daughter who is serving her sentence at a federal prison hospital in Lexington, Kentucky.

"Despite the promises of adequate medical attention which every doctor told the judge she needed, she has not been given adequate

treatment," he said, noting her severe stomach disorders. "I know that she lives in an enormous amount of pain," he said. "Because she really can't digest food properly, she constantly suffers from malnutrition. I am terribly worried that she could easily die from malnutrition and from lack of medical attention."

He said he last spoke with her on Monday. "She sounded pretty good but she was hurried. She could only have a few minutes on the phone," he said.

The Alignment men on the subcommittee, including Dinitz and Olmert, said they were not yet stopped because the country drama.

He gave a high appraisal of the value of the subcommittee, on the grounds that it was more consistent than the full cabinet in its study of intelligence and security bodies; that it enjoyed more frequent and more detailed briefing; and that "above all, its members do not leak to the media."

The Alignment men on the subcommittee, including Dinitz and Olmert, said they were not yet stopped because the country drama.

The subcommittee was created as a permanent body by Minister Moshe Arens, when he chaired the Foreign Affairs and Defence Committee from 1977. Till today, it has maintained its reputation as a secret body, whose meetings the press rarely bothers to interest itself in.

Sharir insists Nakash's life threatened

By MENACHEM SHALEV
Jerusalem Post Reporter

A defiant Justice Minister Avraham Sharir said last night that he still believed William Nakash's life would be in danger in a French prison.

Sharir, appearing on Israel Television's *Moked* programme, reacted to the High Court criticism of his decision not to extradite Nakash - which the court said, had been based on "unfounded assumptions" and "speculations" - by saying that he had

"just assumed his post" when he made his decision. Sharir became justice minister four months before he reached his decision, and one month before its legal deadline expired.

Sharir linked Nakash with the Demjanjuk trial, saying that "Europe's soil is soaked with Jewish blood. In these very days we are witnessing in Jerusalem a replay of a chapter in history which we all fear. I compare the blood of one Jew to that of another."

(Continued from Page One)

These sources said that the inner cabinet adopted the Nissim proposal as a compromise between the positions of minister without portfolio Ezer Weizman, who demanded the establishment of a full-fledged judicial commission of inquiry, and Trade and Industry Minister Ariel Sharon, who opposed any investigation.

The appointment of the government committee puts "on hold" demands from various quarters for the dismissal of Air Force Aluf Mishne Aviem Sella and the chairman of Israel Chemicals, Rafi Eitan, two of the prominent Israeli figures in the Pollard affair. Sella reportedly recruited U.S. Naval intelligence analyst Jonathan Pollard as a spy for Israel. Pollard worked for the now

defunct Scientific Liaison Bureau, which was directed in 1984-86 by Eitan.

Communications Minister Amnon Rubinstein told Israel TV last night that he thinks Sella and Eitan should resign, on their own initiative, "for Israel's sake." He added that he believes that the cabinet should have suspended the two, at least for the duration of the investigation.

Observers compared the cabinet's appointment of the two problems to the 1955 appointment of a committee composed of Supreme Court president Yitzhak Olshan and former IDF chief of staff Ya'acov Dori to probe the *Esek Habish* or Lavon affair. That inquiry forced Lavon to resign as defence minister.

The observers noted that in September 1982, prime minister Menachem Begin, under pressure to launch a commission of investigation to probe the Sabra and Shatila refugee camp massacre in Beirut, asked Supreme Court Justice Yitzhak Kahan to probe the affair as a "one-man committee of inquiry."

PROBE

Kahan declined and Begin, caving in, then set up a full-fledged judicial commission of inquiry - the Kahan Commission - which eventually forced Ariel Sharon's resignation as defence minister.

Meanwhile, officials in Jerusalem described as "exaggerated" press reports about Reagan administration anger at Israel over the Pollard affair. The officials said "the situation is not terrible. The excitement is mainly among American Jews." The officials dismissed as "nonsense" reports that the U.S. has broken off various military contacts or joint exercises with Israel as a result of the affair.

Reports that joint operations were cancelled appeared in the latest issue of *Time* magazine, which said that the administration had cancelled "a joint American-Israeli air-force training course." The only problem with the Reagan administration remaining, according to officials, is a personal one, connected to the indictment of Sella and the expected

Police evict Arab family in Old City

By ANDY COURT
For The Jerusalem Post

Police evicted an Arab family yesterday from a house near the controversial Shuva Banim yeshiva in the Old City's Moslem Quarter.

The police acted on a court order sought by the Justice Ministry's Custodian General, who supervises the building, according to Jerusalem Police Commander Yosef Yegudai. The family were squatters who had been living in the building for the past five or six years, he said.

But the head of the evicted family, Rashad Karakie, of 33 Aqabat El-Khaldieh, said that his wife's family has lived in the house for 50 years. The government, he said, has taken this action because all previous efforts by Jewish settlers to buy the house from him or harass the family out of the neighbourhood, had failed.

The Justice Ministry refused to comment on the case last night. But one source familiar with the situation in the area said that the house is probably in the care of the Custodian General because it belonged to Jews before 1948, and then was rented out by the Jordanian government from 1948-1967. It reverted to Israeli control after the 1967 war.

At roughly 5:30 a.m. yesterday, about 50 police and Border Police



The Karakie family were evicted yesterday from a house in Jerusalem's Old City (Y. Zakim/Media)

gathered in the area. Karakie, his wife Lulu, his 75-year-old mother-in-law Mahadia, and his six children were taken outside. Their furniture was carried away, the door nailed shut.

Karakie said that his mother-in-law was taken away by authorities, and he does not know where she is. Yegudai said that the police did not

arrest the woman, though she may have been taken away by social workers wishing to guarantee that she would have a place to stay.

Sitting on a bundle of his belongings in front of the house, Karakie vowed that he and his family would live in the street as a way of protest. "We will sleep here," he said. "We have no other choice."

Outburst over Treblinka laundry

By ERNIE MEYER
Jerusalem Post Reporter

The initially placid atmosphere at the Demjanjuk trial yesterday was shattered at 9:30 by an uncharacteristically angry outburst from presiding Justice Don Levin when defence attorney John Gill asked Treblinka survivor Yehiel Rajzman about laundry facilities at the death camp.

Gill, in an apparently rambling continuation of the previous day's cross-examination, asked the witness where women prisoners in the laundry hung the up the guard's shirts and socks to dry.

Perhaps the question was in preparation for the testimony of former laundry worker Sonya Lefkowitz, who is scheduled to testify soon. At any rate, Levin shouted: "Is it important to know where they hung up the laundry? You are only wasting the court's time. There's a limit to what you can ask. What's the difference where the laundry was hung, when 850,000 human beings were killed at Treblinka?"

Regaining control, Levin called the lawyers of both sides to the bench for a lengthy consultation, after which he announced, "If the defence insists on its laundry question, we agree."

The question was put again, and the witness replied that he did not remember.

There were more apparently unconnected questions. In reply to one of them, Rajzman told the following story. One day, a newly arrived SS man, as yet unfamiliar with camp rules, sent a prisoner from the Lower Camp to the Upper Camp. The man carried a suitcase, which had been requested by Dr. Zimmerman, the kapo in charge of the "dentists" who



extracted gold teeth from corpses. A few days' work had filled one suitcase, which had been sent on to Germany, and another was needed.

But the rules forbade any contact between prisoners of the two camp sections, and when the man attempted to return to his work in the Lower Camp, he was shot. A vivid lesson for a new SS man.

The witness said that he wanted to honour the name of Dr. Zimmerman, the only prisoner able to pacify a particularly vicious Ukrainian guard nicknamed Zaki-Zaki. "Zimmerman saved us from many beatings by that guard," Rajzman said.

Rajzman was asked whether Molotov cocktails were used in the August, 1943 revolt; whether he had ever heard the name Malchenko; how much money he had on him when he escaped; and whether the Ukrainian guards ever went on leave or were transferred.

A question like the last one may be used by the defence in future, in order to show that Ivan the Terrible was known and is still remembered in the villages near Treblinka - and that he was not someone other than John Demjanjuk.

Gill asked the witness whether he saw Ivan at the camp all the time. The answer was: "I saw him all the time I was at the Upper Camp." The defence may possibly use such

a statement later, to show that Demjanjuk, while perhaps an auxiliary SS guard, was posted to another camp and therefore could not have been the inhuman murderer the witness saw "all the time" at Treblinka.

After the mid-morning recess, the questioning turned to the occasions when Rajzman testified against Demjanjuk in the U.S., in 1980 and 1981. Rajzman was evasive when asked whether on these occasions he had discussed Demjanjuk with his fellow survivors, who were also there to give evidence. Rajzman said that after Demjanjuk's 1981 denaturalization hearing in Cleveland, he started a file of newspaper clippings.

Rajzman also disclosed that when he learned of Demjanjuk's extradition to Israel, he offered to come here at his own expense.

Gill put Rajzman on the spot when he pointed out that in the report on Treblinka he wrote in 1944 in Warsaw, after the city was liberated by the Russians, Rajzman did not mention Ivan Grozny (the Terrible) even once.

"You're mistaken," Rajzman replied. "I did mention him, but I called him Ivan the Satan" (*der Teufel*, in the Yiddish original).

The judge asked that copies of the 69-page memoir in Yiddish, with Hebrew and English translations, be filed with the court. "This is not evidence, only background material," Levin said.

When Gill told the witness that in his reminiscences he had never described Ivan in detail, Rajzman said that in his life-time he had never expected to face the man in court.

Close to the lunch break, defence (Continued on Page 7)

Knesset panel forbids higher municipal rates

By ASHER WALLFISH

Local authorities will not be allowed to levy higher *armona* (municipal rates) on residents in the 1987/88 tax year than they levied in the tax year ending March 31, the Interior Committee decided yesterday by a vote of seven-to-four.

The Interior Committee thus challenged the decision of the Interior

Ministry and the Finance Ministry to permit local authorities to increase the 1987/88 *armona* by 22 per cent, in the wake of the cost-of-living index rise.

The MKs' slap in the face of the two ministries followed a campaign by the chairman of the *armona* subcommittee, Avraham Verdiger (Morasha).

In deep sorrow we announce the death of our beloved mother and grandmother

ERNA NEY

Ruth Peled (Ney)
Shliri and Buki Peled

Our dear mother and grandmother

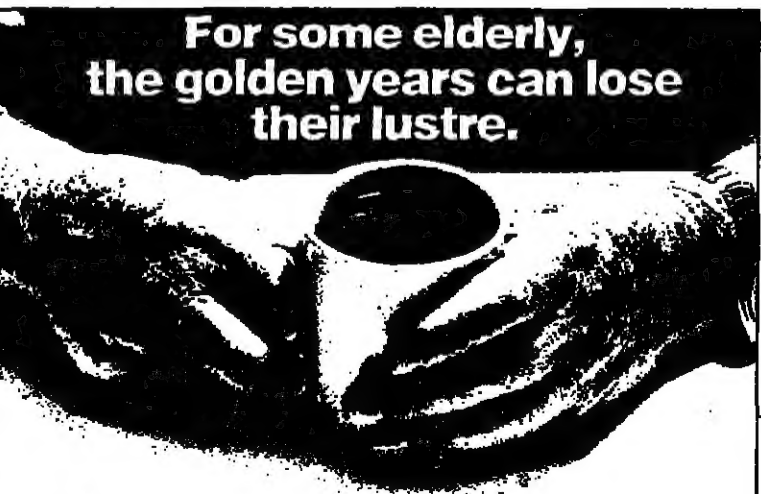
ERNA NEY

is no more

The funeral procession will leave today, Thursday March 12, 1987 at 1:30 p.m. from the funeral home on Rehov Dafna 5, Tel Aviv, to the cemetery at Nahlat Yitzhak.

Buses will be available. Please refrain from condolence calls.

The Ney family



For some elderly, the golden years can lose their lustre.

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A glittering smile!
Your contributions help subsidize dental care for needy elderly who would otherwise not be able to afford proper treatment.

A warm glow on a cold evening
The Forsake Me Not Fund supplies heaters, blankets, pyjamas, mattresses, bedding and warm clothing - desperately needed during the cold winter months.

Bring a little comfort into their homes!
Many of Israel's elderly people live in sub-standard homes that urgently require repair or renovation, as well as security measures such as locks or beepers.

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In deep sorrow, we announce the passing of our aunt, the teacher

SARA FOX

The funeral will take place today, Thursday, 11 Adar 5747 - March 12, 1987 at the Gedera cemetery. For details on the exact time of the funeral, please call: 03-797653.

The Family

To Shirley Greenberg

We share your deep sorrow on the death of your husband

AVRAHAM GREENBERG

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Jail for Czech jazz leaders

PRAGUE (AP). — Two independent Czechoslovak cultural activists were convicted yesterday of unauthorized economic activities and sentenced to prison terms. The other three received suspended sentences.

Karel Srp, the 50-year-old leader of the jazz section of the Czechoslovak Musicians' Union, was sentenced to 16 months in jail and the group's secretary, Vladimir Kouril was handed a 16-month prison sentence.

Josef Skalník, a graphic artist, received a 10-month sentence, suspended for three years, while Thomas Krivánek and Cestmír Hnat were each sentenced to eight months, suspended for three years. All of them had pleaded innocent.

After they were taken to be sentenced, about 150 supporters waiting in the corridor outside, burst into rhythmic clapping which could be clearly heard in court and which lasted until the defendants emerged some 25 minutes later.

Judge Vladimír Štěrba, passing the sentences, said they were based on the fact that the jazz section ceased to exist once its parent organization, the state-sponsored Musicians' Union, had been abolished by an executive order on Oct. 22, 1984.

The five were charged under paragraph 118 of the Czechoslovak Criminal Code, which forbids unauthorized economic activity yielding a profit of more than 5,000 crowns (some \$500 at the tourist rate of exchange.)

The judge announced that since October 1984, the publishing and other activities of the jazz section had a turnover of 1,702,335 crowns and he estimated the profit for the five leading members on trial at 62,000 crowns (\$6,200) overall.

Summing up, the judge said, "We don't want in any way to hurt the cultural movement in our country. We want to develop it more and more as there is a young generation with new interests. We want to support this."

Štěrba also said he considered that the defendants took their activities seriously and were experts in their field. He added he had read work by Kouril and seen of some of Skalník's graphic art and that "the quality was high."

"The activity of promoting culture was commendable but requires a

legal form because social value must be attained," said the judge.

The prosecutor, Petr Šnajdr, who had asked for heavier sentences, said he would appeal. The defendants did not immediately appeal; they have eight days to decide.

There were minor scuffles, as supporters clapped, cheered and sang when Srp and Kouril were led away under police escort with their hands bound.

As the crowd sang, "give peace a chance," Srp yelled in Czech, "Long live jazz."

Western human rights activists said the state had convened the largest political trial since it tried leading activists of the Charter-77 human rights movement in 1979, but the authorities denied that the case had political connotations.

In an opening statement to the judge on Tuesday, Srp denied the group's activities were illegal and said any money made from the sale of publications went back into financing further activities.

He said the group had written some 130 letters to different authorities seeking an explanation of the jazz section's legal status, but never got any answer.

House blocks Contra aid

WASHINGTON. — The House of Representatives in a key procedural vote opposed a grant of \$40 million to the Nicaraguan rebels until President Reagan accounts for previous aid, including proceeds from U.S. arms sales to Iran.

The major test of House sentiment came several hours before the House was to take a final vote on the assistance.

However, the 227 to 198 vote on a procedural matter was seen as a temporary defeat for Reagan, who has made aid to the Contra rebels one of his major foreign policy initiatives.

Republican leaders conceded a recent run of bad news had eroded support for the rebels in the long run and that future presidential requests for aid may be in serious trouble.

But leaders of both parties predict Reagan will prevail on the immediate issue, the release of the \$40 million, because there aren't enough opposition votes in the House to override a presidential veto.

House and Senate committees were to vote later yesterday to give limited immunity to Albert Hakim,

an Iranian-born businessman who played a key role in the financial dealings of the Iran-Contra affair. Congressional sources said.

The sources said the grant of immunity, intended to compel testimony from a key witness in the case, will be made without the prior approval of independent counsel Lawrence Walsh.

At the same time, the committees are hoping to avoid a public clash with Walsh over the issue of how swiftly to grant limited immunity to former national security adviser John Poindexter and Lt. Col. Oliver North, his former aide, and a third key player in the affair, retired air force general Richard Secord.

Hakim was a close associate of Secord, who was a principal deputy of North in the elaborate scheme established to funnel private funds to the Contra rebels. Walsh, the government's prosecutor in the Iran-Contra affair, said that if congressional committees move before 90 days to grant limited immunity to Poindexter and North, "We would have to do whatever we could to get ourselves as much time as possible to perfect our case."

Beirut students protest raid

BEIRUT. — American University of Beirut students went on strike yesterday to protest a raid by Syrian troops of the campus in West Beirut, and the detention of 15 student representatives of feuding militias.

Syrian commandos stormed the two men's dormitories on the AUB campus before daybreak Tuesday and rounded up the 15 students for questioning. Police said the Syrians released the men later.

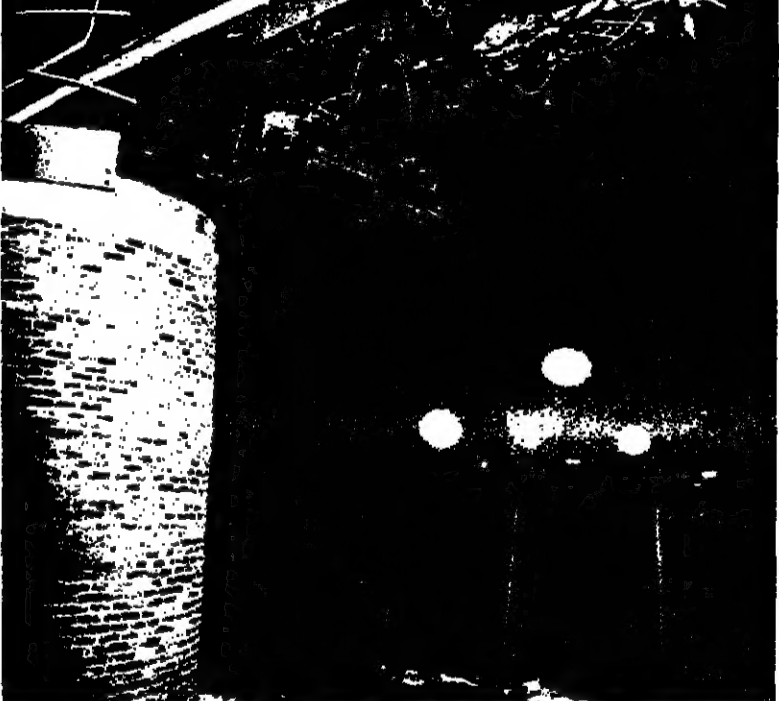
But a spokesman for the students said at least three of the detained students were "still missing" yesterday. Police made no comment on the claim.

Police said Tuesday several pistols and submachine guns were seized in the five-hour search-and-arrest operation, and described it as a "warning" to AUB's 5,000 students to refrain from militia activities on campus.

Meanwhile the pro-Iranian Hizbullah (Party of God) repeated warnings to Syria to keep its troops out of Beirut's southern suburbs, a Hizbullah stronghold where foreign hostages are reported held by militants, newspapers said yesterday.

"We advise those concerned that massacres and transgressions will not preserve security, but might cause an explosion," Hizbullah said in a statement published in local newspapers.

"The southern suburbs have nothing to do with the (Syrian) security plan and no security measures are needed there," it added. (AP, Reuters)



A test run of a new driverless rail line in London ended yesterday in this crash. None of the three passengers was hurt. (Reuters telephoto)

Iraq: hundreds killed in mountain battle

NICOSIA (AP). — Iraq said yesterday that hundreds of Iranian troops were killed in a battle for a snow-covered mountain in the Kurdistan region of Northern Iraq. It was Iraq's first reference to the fighting in the below-freezing temperatures of the Haj Omran region, where Iran announced a week ago it had launched a new offensive.

Iranian military communiques late Tuesday said Iranian forces destroyed the remnants of an Iraqi brigade in the Haj Omran front, set an Iraqi army base on fire and knocked out several tanks.

The official Islamic Republic News Agency, monitored in Nicosia, said the Iranians, who claim to have seized strategic peaks and some 50 square kilometres of mountain terrain, were consolidating their positions in scattered fighting.

Saudi king visits socialist Algeria

ALGIERS (Reuters). — King Fahd of Saudi Arabia, who began an Algerian visit yesterday, wants to work more closely with socialist Algeria on questions of oil and Middle East policy, the Saudi ambassador in Algiers said yesterday. In an interview with the Algerian News Agency APS, Ambassador Mohamed Hassan Faoui said King Fahd and Algerian President Chadli Benjedid would discuss the Palestinian question, the Israeli-Arab conflict and the search for Middle East peace.

Jordan's Queen Noor wants peace parley

OXFORD, England (Reuters). — Jordan's Queen Noor has backed calls for an international conference to work towards peace in the Middle East. American-born Queen Noor told the Oxford Union Debating Society Tuesday night the conference should include the five permanent members of the United Nations Security Council as well as concerned parties and Palestinian representatives.

Comeback for Chinese 60s folk hero

BEIJING (AP). — The cult of Lei Feng, a peasant soldier who became a hero in the 1960s for his legendary selflessness, is making a comeback 25 years after his death.

As part of the current backlash against western liberalism triggered by student protests late last year, the Communist government has resurrected the example of Lei and others who toiled tirelessly for the common good.

Lei, who died in a 1962 car accident, was regarded the best-known of China's model workers — people singled out by the government for emulation.

His return to the limelight has been accompanied in the official news media by praise for other workers of lesser fame but similar devotion to serving the party and people.

The newly resurrected heroes are a far cry from the profit-minded factory managers, private entrepreneurs and wealthy peasants praised in recent years as pillars of China's market-force economic reforms. In the past few months, mention of such figures has virtually ceased.

The change is among the most visible signs of China's abrupt turn to ideological conservatism in reaction to the pro-democracy student protests.

In a propaganda blitz commemorating this week's 24th anniversary of an appeal by Mao Tse-tung for the nation to "learn from Lei Feng," the state-run Central Television News broadcast celebrations held in several Chinese cities.

Leading officials, including politburo members Yu Qili, Hu Qiaomu and Hu Qili, attended a discussion meeting about Lei Feng at the Zhongnanhai Communist Party headquarters, the report said.

"The spirit of Lei Feng is the spirit of Communism," Yu was quoted as saying. "It is the spirit of serving the people with all of one's heart and mind. It is the spirit of ardently loving the party, ardently loving the motherland, overcoming, learning, arduously struggling, selflessness and living to make people happy."

The television broadcast said, many children and young people do not understand the thought and actions of Lei, and people of the 1980s must learn from him as Chinese of the 1960s did.



Police constables shed their uniforms yesterday in New Zealand to rescue sheep from flood waters. (Reuters telephoto)

Kohl wins Bundestag vote for new term

BONN, (AFP). — West German Chancellor Helmut Kohl yesterday received a second four-year mandate for his third term at the head of the three-party coalition which won general elections on January 25.

Kohl, 56, whose confirmation as chancellor was a foregone conclusion after the centre-right coalition polled 53.4 per cent in the elections, was due to announce the composition of his cabinet, but no major changes were expected.

Voting for Kohl were MPs in his Christian Democratic Union (CDU), the Bavarian Social Christian Union (CSU) and the centrist Free Democratic Party. The Social Democratic Party (SPD) and the Green Party voted against him.

The second four-year term will

likely be more difficult, with the economic successes achieved in the past four years jeopardized by an international economic slowdown and pressure on West Germany to reflate its economy.

Two major issues facing Kohl are international terrorism — including the continued captivity of two West Germans kidnapped in Lebanon — and growing domestic anti-nuclear sentiment fanned by the Green Party and the Soviet nuclear power plant accident last April at Chernobyl.

SEX EDUCATION. — Secondary schools should introduce sex education for girls to help young women prepare for adult life, the Vietnamese Communist party newspaper said in Hanoi.

מגילת אסתר

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FOREIGN BRIEFS

Passenger shoots hijacker dead on Cuban plane

MIAMI (AP). — An exploding hand grenade injured 13 passengers after a man commandeered a domestic Cuban flight in an attempt to hijack it to the U.S., Havana Radio reported yesterday.

A passenger aboard the plane shot to death the hijacker and the crew managed to land the plane, the government radio said.

The hijacker was identified as Juan Carlos Jimenez Gonzalez and described as "an anti-social element with criminal records," according to broadcasts monitored in Miami.

Soviets to show anti-Stalin movie at Cannes

MOSCOW (AFP). — *Repentance*, the Soviet Union's most outspoken film on the horrors of the Stalin era, is to be shown at the forthcoming Cannes International Film Festival in France, a Soviet film export official said yesterday.

But in an interview with the daily *Sovetskaya Rossiya* on Soviet film sales to the West and the import of western films, Viktor Kukharsky, a deputy chairman of the Soviet state film export company Sovexportfilm, ruled out U.S. films such as *Rambo* appearing in Soviet cinemas.

"Such films can cause a wave of negative feelings towards America, and a hatred of America," he said, adding that films like the anti-communist *Rambo* and the 14-hour television mini-series *Amerika* lacked any merit as they were artistically "primitive."

New Zealand floods force thousands to evacuate

WELLINGTON (AP). — Three large country towns were evacuated as flood waters washed across southern New Zealand yesterday, prompting officials to declare a state of emergency.

South land province, with a population of 100,000, was isolated when rivers, fed by heavy mountain rain burst their banks and raged through six communities.

At least 3,600 people were evacuated from low-lying homes before the floodwaters reached their peak, said Bill Early, Civil Defence area coordinator. He said more people will be evacuated although property damage from the rainfall was minimal.

Aids treatment drug to be legalized in U.S.

WASHINGTON (AP). — Drug companies would be allowed to sell experimental drugs to patients with Aids and other life-threatening diseases, under regulations proposed by the U.S. government.

The new regulations, which could take effect in a little over three months, would formalize procedures already used to make anti-Aids drug AZT available to thousands of patients prior to formal approval by the Food and Drug Administration.

AZT, or Azidothymidine, has been undergoing clinical trials for 18 months.

Last week, the British government approved AZT for the treatment of Aids in that country. Authorities said it appears to prevent the Aids virus from reproducing, although it is not a cure.

Washington invites top Chinese leaders for visit

PEKING (Reuters). — Washington has invited the top Chinese leaders to pay an official visit to the U.S. this year, a Foreign Ministry spokesman said here yesterday.

China is now studying the invitation, contained in letters from President Reagan, which were passed on by Secretary of State George Shultz during his visit last week.

The spokesman said letters were sent to China's leader Deng Xiaoping, President Li Xiannian, and Premier Zhao Ziyang.

Middle-aged are fastest-growing U.S. group

WASHINGTON (AP). — There are more pre-school children in the U.S. today than at any time in the last 20 years, as the post-World War II baby boom generation produces an echo of itself, the Census Bureau reports.

The under-five age group has grown by 10.9 per cent since 1980, totalling 18.1 million as of last July 1, the bureau said in a new study released on Tuesday.

During that same period, the baby boomers themselves have made early middle age the fastest growing segment of society, while improved medical care has helped the elderly increase their numbers significantly also.

Tapestries based on John Lennon drawings shown

PALM BEACH (AFP). — Yoko Ono unveiled on Tuesday art works based on drawings by her late husband John Lennon.

About 60 hand-woven tapestries made by a Florida company from the late Beatle's drawings and lithographs are on display at the Frankel Gallery here. They are priced at \$7,000 each.

"He was always drawing, he drew on everything — lined yellow paper, the bottom of letters," Ono said of her husband, who was shot dead in 1980, as they were returning to their New York apartment after a recording session.

India deports Swiss Aids sufferer

NEW DELHI (Reuters). — A Swiss man suffering from Aids was deported from India yesterday on a special ambulance plane, a Swiss Embassy spokesman said.

Christian Kasza, 30, was arrested by Delhi police on drug trafficking charges last year, but the charges were dropped to allow his deportation. He had been diagnosed as suffering from Aids earlier this year.

An external affairs ministry spokesman said this was not the first time India had deported a foreigner suffering from Aids. "There have been others, but I cannot give you the number," he said.

A government decree last August called for compulsory Aids testing of foreign students prompted street protests by African students here last month who called the testing racist.

But the government told parliament last month it would continue the tests: carried out on about 1,300 students up to February. Ten were found to have been infected by the Aids virus.

סור שבו עמ

התורה

The Pollard Crisis: The Second Affair/ Yoel Marcus Did They Know?/ Ze'ev Shiff

Being a Jew in Washington

Talk of the Week with Ariel Weiss, former assistant to the leader of the Democratic majority in Congress

TREBLINKA — JERUSALEM: Yehiel Raijman's Path of Pain

Ran Kleiev

The Twilight Zone

Ilan Sheinfeld on Male Love

Tamar Meroz

Rust in the Blue Box

Roman Frierster

Mehmet Strassler on the Monetary Fund and the Israeli Economy • Mordechai Artziell with Inessa Florova • Nadav Shragal on Religious Judges as Politicians • Zvi Harel on Yehoshua Ben Zion • Dani Rabinovitz on the Life of a Leopard • Political Sources/Alvina Eldar • Party Corridors/Ilan Sheinfeld • Magazine/Dan Margalit • The Week's Television/Hedda Boshes • Kosof Ruah/B. Michael

msd45-20-221

Left to rightist

ENSCONCED IN a quiet and distinguished neighbourhood, somewhere near Los Angeles, Abraham Tehomi is writing the story of his generation. The first volume, *Between Darkness and Dawn*, was recently published in the U.S. It describes the writer's life in his native Odessa and his tortuous journey to Palestine.

He came as a member of Hehalutz group, but later made history by twice splitting the Hagana - a schism which, after the "disturbances" of



Israel Waks (Shapiro)

1929, led eventually to the creation of the Irgun Zvai Le'umi.

He later left Palestine for Europe, where he was active in arranging for the "illegal" immigration of war-trapped Jews; and then to the U.S. and Hongkong, where he was engaged in business until he retired to California. It was at his home there that Israel Waks met him recently.

"It was, probably, the most moving encounter in my life," Waks says. He first met Tehomi in Prague, in 1933, during the Zionist Congress. Tehomi arrived from Palestine to confer with Ze'ev Jabotinsky, the

head of the Revisionist movement.

"Tehomi was never a card-holding Revisionist," Waks says. But he accepted Jabotinsky's leadership in an "active" struggle to make Palestine Jewish. "However, he never accepted Jabotinsky's stand uncritically. A man of independent mettle, he often argued with Jabotinsky, as he had argued with the Hagana and its socialist leaders."

Waks at that time was in Paris, studying journalism, among other subjects, and serving on the editorial board of the Revisionist Yiddish language weekly *Unser Weg*. "We shared our premises with the offices of *Razsvet*, the Russian weekly which Jabotinsky personally directed. The typewriter on which Jabotinsky wrote his contributions in Yiddish has found its way to the Jabotinsky Museum. To write French or English he used mine, I still have it with me," Waks admits.

Another political publication issued from the same premises was the Russian weekly edited by Alexander Kerensky, the man who deposed the Tsar in the First Russian Revolution; only to be deposed himself by the Bolsheviks, some months later. "Kerensky was a charming man and a glorious orator. While dictating to his secretary, he used to pace to and fro in the big room, raising his voice as if he was haranguing the masses."

When *Unser Weg* was transferred to London, on the instance of Meir Grossman, Waks returned to his native Poland to become the secretary-general of the Revisionist movement in that country.

"The movement was facing a schism. Grossman, challenging Jabotinsky, steered it away from a growing estrangement from the Zionist organization." He seemed to have had his way in the Katowice

convention of the party, in 1933. But the Polish Revisionists retrenched in their loyalties and decided to go it alone in voting for the forthcoming Zionist Congress. "There was still no indication at that stage of the impending break with the Zionist organization," recalls Waks. "However, in the meantime Arlosoroff was murdered in Tel Aviv. Events took an unpredictable turn."

THE FOLLOWING year, as Waks was ready to settle in Palestine, a note came from Jabotinsky inviting him to join him in London as his private secretary. "I had to decline the offer, as I did again, a year later."

He led a quiet life in Tel Aviv, a respected member of Revisionist leadership, and made a living by co-editing the *Palnews Economic Bulletin*, working for a press distribution agency, and a banking investment office. Nobody could suspect that this affable man with his quiet manner and soft voice was connected in any way with extremist activities.

But connected he was. It was in his flat, in the upper Sheinkin street in Tel Aviv, that Menachem Begin, the head of the clandestine IZL, met with his opponents in the Hagana. "The first such meeting was attended by Moshe Sneh," Waks recalls. "They sat the whole night."

Other visitors for Begin included the Unscop members Fabregat and Granados, and Jewish Agency leaders Yitzhak Grunbaum and Rabbi Fishman (later, Maimon). "We took enormous risks," Waks's wife, Luka, concedes. "Our boy was an infant. But I did not feel free to object." Luka Waks's hobby today is to sculpt in clay figurines of shetl characters - Tora students, water carriers, Klezmer musicians, too."



Sraya Shapiro

Last year she exhibited her "little Jews" at the Ramat Gan Museum. Her infant boy is today a professor conducting medical research at the UCLA; it was during a visit to his son that Waks called on Tehomi.

"He seems to be a little sore that he could not integrate in the executive establishment of the State of Israel," Waks observes. At 84, Tehomi is still alert and clear-minded, and, says Waks, his memory is astounding. His main ambition is to publish the rest of his memoirs. His writing style is vivid, conversations with friends and enemies are re-created at length.

The volume published so far covers only the period up to his arrival in Haifa, where he suddenly learned how much more complicated the Return of the Jews was in reality.

The next volume should include the episode which linked Tehomi to the murder of Jacob de Haan, the Agudat Yisrael official whom the Hagana suspected of being a British informer.

"I cannot say a word about it now," Tehomi told Waks. "I do not deny or confirm reports about my involvement. What I am sure of, however, is that I acted with the knowledge of Izhak Ben-Zvi (head of the Va'ad Leumi, the Jewish community's representative council, and later president of Israel). And, as Ben-Zvi never did anything without consulting Ben-Gurion, Ben-Gurion must have been aware of the facts, too."

Tonight's the night for Maccabi

By DON GOULD

Post Basketball Reporter
No more waiting. Tonight at 10 p.m. Maccabi Tel Aviv's quest for a spot in the final of the European Cup reaches a dramatic climax, as they take on Real Madrid in Spain.

The game, which will be televised live on Israel Television, will be played at the brand new Madrid Pavilion.

Real may yet regret their decision to leave their old sports stadium, where they compiled an impressive record against Maccabi over the years.

While Maccabi have managed a very respectable 9-4 record against the perennial Spanish champions at Yael Eliyahu (including this year's 81-80 victory), they have never found the formula for even one victory in Spain, where they lost 12 times since 1968.

More daunting perhaps than the winless record is the fact that Maccabi have lost by an average of 16 points per outing. Even in the two years when Maccabi won the cup, 1977 and 1981, they were beaten in Madrid by 12 and seven points respectively.

The closest Maccabi ever got was in January of 1980 when they were topped at the buzzer 97-96.

Maccabi, who are fit and currently playing the best basketball in Europe, are determined to break the jinx tonight and go on to the European Cup final.

The Maccabi management, meanwhile, are faced with a serious dilemma. The game between French champions Orléans and Real Madrid in the final of the European Cup will be played after the beginning of Maccabi's game in Madrid.



POINT MAN. - Juan Antonio Corbelan, Real Madrid's veteran point guard, is the key to the Spaniards' offence and the man Maccabi must stop in order to win tonight's crucial contest.

(H. Guthmann)
If Orléans lose, Maccabi do not need a victory. The question for the management is a psychological one. Do they tell the players of the result or not?

Madrid, who are committed to victory in front of a packed house.

have announced that their season-long problem of injuries to key players continues. There is some question as to whether their 2.13m. centre Fernando Romay, and their shooting guard Juan Lopez Irujo, will be available tonight. But Madrid have been known to publish exaggerated injury reports in order to gain a psychological upper hand.

Madrid, who have nothing to gain from a victory but their self respect, will be tough opponents no matter who plays for them. In a similarly unimportant game for Real last week, they trimmed the sails of Italian champions Tracer Milan, whose place in the final is no longer guaranteed.

Real Madrid			
No.	Age	Height	
4 Fernando Mateo	38	2.05m.	
5 Alfonso Del Corral	30	1.92	
6 Fernando Romay	27	2.13	
8 Bred Branson	28	2.08	
10 Emilio Rodriguez	18	1.82	
11 Juan Antonio Corbelan	32	1.84	
12 Rafael Rullán	34	2.07	
14 Juan Lopez Irujo	27	1.96	(captain)
15 Larry Spriggs	27	2.01	

(Head coach: Manuel Sainz, Asst. coach: Clifford Luyk)

Maccabi Tel Aviv			
No.	Age	Height	
4 Howard Landis	30	2.10m.	
5 Lior Arad	19	1.92	
6 Lior Shalita	19	1.90	
7 Motti Anon	32	1.87	
8 Greg Concha	28	2.03	
9 Mickey Berkowitz	22	1.92	(captain)
10 Chen Lipin	21	1.83	
11 Avi Schiller	20	1.84	
12 Doron Jancovich	25	1.96	
13 Kevin Magee	27	2.10	
15 Len Johnson	28	2.10	

(Head coach: Zvi Schiff, Asst. coach: Yair Sharon, Manager: Shmuel Mahrobov)

DAVIS CUP SPECIAL: Ori Lewis reports for 'The Post' from Czechoslovakia

Israel must win one tomorrow

By ORI LEWIS

PRAGUE. - Israel's Davis Cup strategists here are biting their fingernails in anticipation of today's draw for the singles pairings for tomorrow's World Group first round tie against the powerful Czechoslovakians.

Today's drawing, to be held at the Cernigov Hotel in Hradec Kralove, where the two squads are headquartered, will determine tomorrow's singles match-ups. The prevailing view here is that Israel will be at a disadvantage if Israeli champion Amos Mansdorf draws Czech top racket Miloslav Mecir in the singles opener, since that would leave Shlomo Glickstein to battle Milan Srejber and could put the Czechs ahead 2-0 after the opening day of play.

"Israel must win at least one of the two singles matches (tomorrow) if we're going to have any chance of winning the tie," non-playing captain Yossi Stabholz told me yesterday.



ACE IN THE HOLE. - Shlomo Glickstein.

(H. Guthmann)

But the speculation ignores Glickstein - the player who has been the catalyst in Israel's successful Davis Cup record over the last few years. 301st on the world ATP computer rankings and without a major tournament victory for several years now, Glickstein has been inexplicably successful in Davis Cup matches over the last decade, having won 29 of 41 singles and 10 of 16 doubles matches over that period.

Glickstein's two big singles victories last October in Switzerland were the key to Israel's Davis Cup win over the Swiss. He battled courageously to triumph over Roland Stadler and Jacob Hlasek, going the full five sets with each and facing down match point against Stadler in the opening match.

While waiting for today's drawing, the two squads are making their final preparations and last-minute adjustments.

As if it happened yesterday

Hana Greenfield

ON OCTOBER 7, 1942, while in Terezin, my mother, my sister and I were scheduled to be included in a transport of 1,000 inmates leaving the ghetto for some place in the east.

Expecting the worst, my mother, who worked as a nurse in the ghetto, injected herself and became deathly ill. In that way, she managed to get the three of us out of that particular transport. This saved our lives temporarily. That transport was sent to Treblinka and my cousin was its only survivor.

From him I heard of the horrors of Treblinka.

I have read about Treblinka and yet when the trial started in Jerusalem - "Criminal Case Number 86, State of Israel versus Ivan (John) son of Nicolai Demjanjuk" - I felt com-

pelled to go and listen.

INSIDE THE packed courtroom, I listened to the proceedings.

I pondered, as I had many times before, how the world is divided into two kinds of people: Those who were there and those who were not.

The questioner could not understand what he was asking, and the words of the witnesses could not describe what they had lived through.

The witnesses were competent and calm most of the time, describing in words what they saw. But the horrors, the pain and the fears came

through only at those rare moments when the survivors broke down, choking on their unspeakable memories.

Each day as I entered the courtroom, I forgot the world outside, for I entered the other world, a world forever living inside me no matter where I am or how much time distances me from there. Each night returning from the trial, I entered the other world of barbed wire, bunk beds, *appellplatz* (parade ground), prisoner uniforms, blows and endless hunger. It all comes back as if it happened yesterday.

And I, who cannot remember

where I put my glasses, where I left my keys, or the name of someone I met yesterday, remember every night with the greatest clarity as I enter the other world, the places, the faces, the humiliations and the pain.

And the next day, when I again sit in the courtroom, listening to the civilized proceedings of a trial, conducted in a democratic country, listening to the defence counsel repeatedly asking the witness: "And what position were you in when you were looking at the *Schlauch* [a fenced-in pathway leading to the gas chambers] watching the poor wretches being driven into the gas chambers?"

I dig my nails into my palms and bite my lips hard because everything in me wants to scream.

Small deserted desert hotels

they do nothing about. But they've made sure there's no more camels at the shuk. Don't they realize it was things like the camels that people came to see?"

ACCORDING to Ministry of Tourism southern regional director Rafi Matzliach, international interest in Beduin culture is Beersheba's best hope of attracting tourism. City officials are quick to agree, pointing out that a municipality-sponsored museum of Beduin folkways has already opened north of town at the Tel Beersheba archeological site.

But hotel owners are unimpressed. Several point out that the city had in its possession one of the world's premier collections of Beduin handicrafts and folklore, only to lose it to another museum due to bureaucratic inaction and an as-yet-unclear act of curatorial sleight-of-hand.

Surprisingly, the prospect of a swank new 127-room competitor is greeted by many hotel officials with something akin to a sigh of relief. "The more hotels here the better," remarks the longtime manager of the four-star Desert Inn, the city's only deluxe hotel. "More hotels will mean more tourists. And it may convince the municipality, at long last, that there is such a thing as tourism. For 30 years, their attitude has been 'Who needs it?'"

For the Desert Inn and for the Zohar, a recently-sold 3-star sister hotel that for a time served as an absorption centre for Ethiopian immigrants and is now again accepting paying guests, luring tourists to Beersheba is an exhausting, go-it-alone enterprise. Despite innovative efforts to promote the city, a large proportion of their occupancy derives from road-weary travellers making an overnight stop on their way to Eilat.

Traditionally, tourism was less a factor in the fate of Beersheba's 2-star hotels, Arava, Aviv, and Hanegev. Until the present decade, employees of large-scale construction projects in the Negev and the Sinai were the life blood of small hotel profit pictures. Especially after the Six Day War, when the area experienced an economic boom, the smaller hotels housed large numbers of workers from the territories and from abroad.

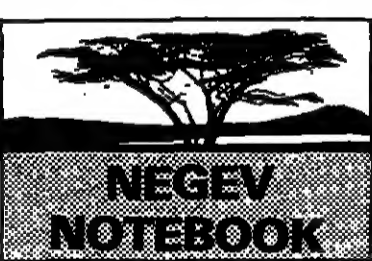
Today, already several years into a recession in the building trade, workers from abroad are a rarity, and labourers from the territories are based in every morning, forming

up for contractors at a variety of "slave markets," such as that at the "Jewish shuk," not far from the site of the proposed new hotel.

As the recession worsens, the desperation of small hotel owners deepens.

Yet the owners of small hotels seem grimly determined to keep on, despite the empty rooms and their own outspoken lack of optimism. In another city, perhaps, the hotels themselves might well constitute a tourist attraction, especially Hotel Hanegev, an immaculate, almost eerily well-maintained relic of colonial times past. During the British Mandate, the Ottoman-era structure served as the home of Beersheba's mayor, a Beduin sheikh whose three wives each occupied one of the large rooms on the hotel's balconied terrace.

But the rooms were empty this



Bradley Burston

week, and last week as well. In a room off the lobby, sitting in the dark to cut costs, owner Zev Gold listened to the radio broadcast of the Demjanjuk trial and reflected on the Europe he left for a tiny desert town 30 years ago.

A few blocks away, Shimon Haliv, owner since 1962 of the now-threadbare Hotel Aviv, glanced at the registration ledger and at the unopened bills the mailman had just delivered. "I don't know, really, why I keep the place open. But I'm a 75-year-old man and I don't have the strength for any changes. My ambition was always to hand over the business to my son. My son, meanwhile, has no ambition to climb into what has become a sickbed."

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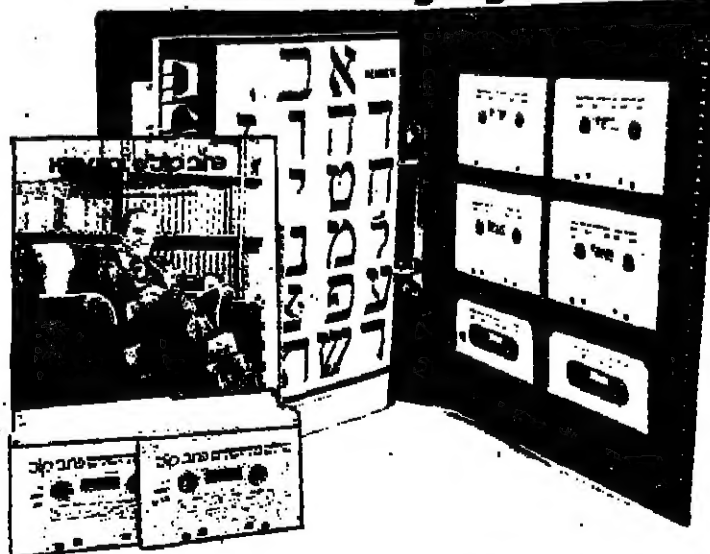
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Black days ahead for Scitex?

By SIMON LOUISSEN
For The Jerusalem Post

HERZLIYA — On the surface there would appear to be little to enthuse about in Scitex Corp.'s \$33.75 million net loss reported last week. But the last quarter result of a \$1.5m. operating profit left some room for optimism and a hint that the black days (or should that be red?) of 1986 may be over for the computer-graphics company.

Sales were up 11.3 per cent, giving Scitex its best quarter ever at \$47m., and Chairman and Chief Executive Officer Efraim Arazi expressed satisfaction that the quarter represented a "significant step in the implementation of the company's recovery programme."

Scitex, once one of the shining lights in Israel's electronics industry, was equally prominent in the industry's fall from grace. From uninterrupted 50 per cent annual sales increases through the first half of the 1980s and commensurate profit increases — from \$5.5m. in 1981 to \$12.3m. in 1984 — the company's fortunes suddenly turned for the worst.

It wasn't that the company's products were not selling. Scitex has remained a world leader in the graphic arts capital equipment field, capturing over 50 per cent of the total market. Even in 1985, when it posted \$13.3m. loss, sales increased by 30 per cent to \$132.5m. The problem was, the company believed, that the huge sales growth of earlier years could go on forever. In that year it had budgeted for sales of \$150m. Instead, it was the cost of sales that ballooned, from \$43.9m. to \$72.4m., and financing expenses, jumping from \$4.6 to \$17.4m.

Chief Operating Officer and Executive Vice President Ben-Zion Naveh accounts for the difficulties by noting that there was a drastic fall in sales in the company's two major diversification lines — engineering graphics and oil exploration equipment. Then, in July that year, the government introduced its economic stabilization programme. "Which put the electronics industry in crisis," what hurt most was the end to creeping devaluation and to some export incentives.

Scitex responded to the shocks of 1985 with a three-pronged strategy, which it instituted in the last quarter of that year. The main thrust was to slash expenses, and this resulted in the company shedding a quarter of its 2,000 strong staff. The level is around 1,500 now and the aim is to reduce this by a further 200.

Cost control was given far greater attention, with every item checked on a weekly or monthly basis as opposed to quarterly in the past. In areas where sales had slowed, expenses were cut to match a reassessed level of income prospects. The marketing activities of the European oil-exploration-equipment company were divested in a management buy-out.

And of course there were a few changes in management. Arazi, the

ment of other activities, but the volume is at a lower amplitude," says Naveh. The strategy was to stabilize sales and reduce expenses. "We hope this will result in positive income and then perhaps things will look a little different," he says.

Scitex is planning on a sales increase of 5-7 per cent for 1987. Naveh realizes that there is a limit to how much a company can be turned around by trimming fat and in the end there must be growth.

1984, they rose to \$15m. in 1986, despite efforts to cut them.

"This is our major problem," says Naveh. The company is attempting to get government to provide some long-term customer credit for capital purchases.

"To expand business these days you must provide finance for capital purchases such as ours," he says. Even the relatively favourable interest rates of Libor (the London interbank offered rate) plus 2 per cent provided by government are stifling growth. The \$50m. credit line secured from Ford Motor Credit to Scitex America in November 1986 is a big boon to sales there, and Scitex is hopeful the government can match this.

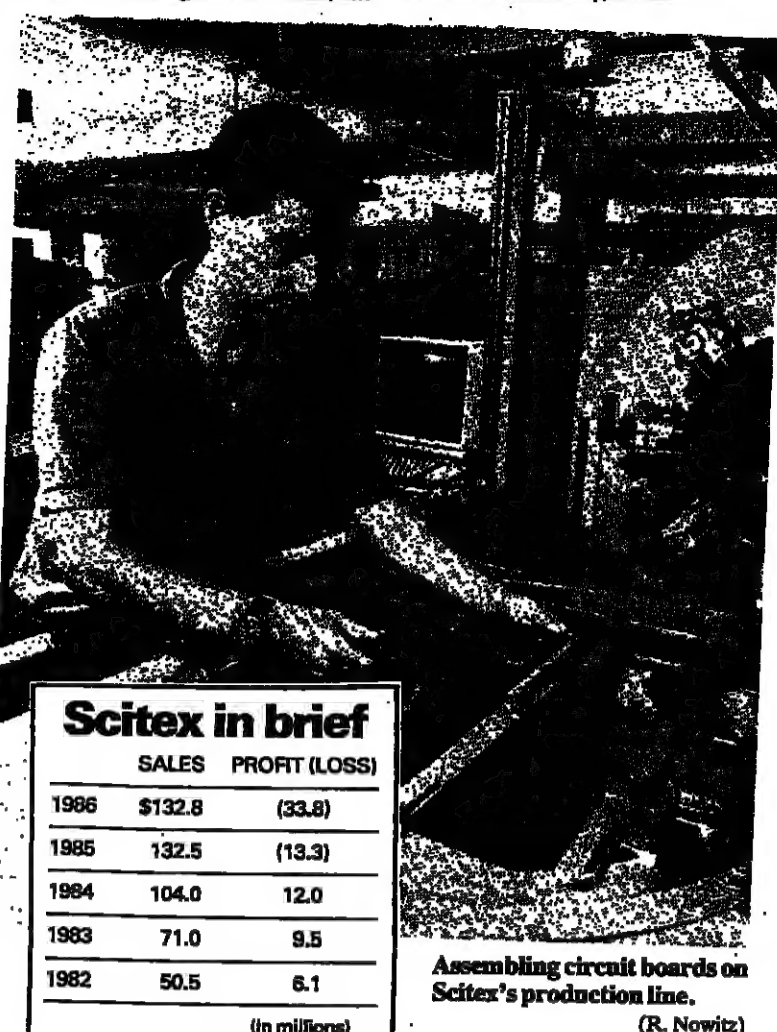
Scitex is predicting that the pre-press colour equipment business will continue to boom and there is no reason to expect any downturn. More newspapers are turning to colour printing, and the colour packaging and printing card business is also experiencing strong growth. Scitex sees itself as very competitive with productivity per employee now \$90,000, compared with \$80,000 before the restructuring. This level compares favourably with the U.S. and will be improved this year.

Naveh believes the government must also do something to help restore the profitability of exporting companies. He estimates that the government's economic programme has reduced profitability by 10-15 per cent, minus the 3-4 per cent calculation of the recent devaluation.

"As a citizen I want low inflation and no devaluation, but on the other hand, the high tech industry had to pay such an enormous sum. It caused us big problems," Naveh says the stability has helped companies organize and plan but hasn't helped them return to the profits of 1984. High tech companies raised hundreds of millions of dollars in the U.S., and there is virtually no other source of funds for growth. The local electronics industry has seen 50-70 per cent of the value wiped off their shares while the rest of Wall Street has surged ahead, and Naveh blames this to some extent on government policies.

"The electronics industry was taught to use the environment, but the environment was changed and it takes time to adapt," he says.

Naveh is hopeful that the salutary lessons of the last two years have been taken on board and 1987 will see a small profit followed by something better the following year.



Scitex in brief

	SALES	PROFIT (LOSS)
1986	\$132.8	(33.8)
1985	132.5	(13.3)
1984	104.0	12.0
1983	71.0	9.5
1982	50.5	6.1

Assembling circuit boards on Scitex's production line.

(R. Nowitz)

company founder took over the role of chairman, as well as chief executive, while former chairman Arthur Low was shunted upstairs, to become president. Naveh, formerly managing director of Rafael, the Armaments Authority, joined in October 1985.

Other than attending to the problem of expenses, the new management aimed to refocus the company on its core activity where it is an acknowledged world leader.

"This doesn't mean the abandon-

The prospects for growth must have improved with the fourth-quarter result showing a positive cash flow. This was the major worry during the troubled times. Major shareholders, Clal Industries and Discount Investments Ltd., together with the banks were forced to inject a special credit line of \$20m., and \$13m. of this was used by the end of 1986.

Financing expenses remains one of the company's major concerns. While these expenses were \$1m. in

THE TAX BURDEN/Jeff Broide

Adjusting your calendar

THE NEW YEAR-END: In the switch of the fiscal year-end from March 31 to December 31, taxpayers should take note of the earlier date for submission of the various forms, including annual tax returns for companies and individuals. These include, among others:

- The annual payroll summary (form 126) and the annual summary of payments to subcontractors and

Even tax payers belonging to the liberal professions may elect to report on an accrual basis. This may have interesting consequences where the essence of their work or service provided is over a long period of time.

various other suppliers of services (form 08x6 must be submitted not later than March 31).

• Certificate to employees confirming salary for the year (form 106) and certificate to subcontractors and other suppliers of services for payments to them during the year, including taxes withheld at source (form 0857) must be presented to the relevant parties not later than March 20. Where the taxpayer holds inventory, an inventory declaration and detailed schedule must be submitted (on the forms issued by the tax authorities) within one month of the tax year-end.

• On payment of severance pay (*pitui*) to an employee, form 0161 must be completed and filed with the tax authorities. If this has not yet been done, do it immediately.

• On the sale of a fixed asset in the business or practice, irrespective of whether a capital gain or loss has been made, a form 1390A must be filed within 30 days. If this has not yet been done, do it now.

• Finally, taxpayers should note that the certificates indicating the percentage of withholding tax withheld on payments are valid until March 31. The application for extension should be made between January and March. If they are submitted late or not at all, the taxpayer could be subject to fines and penalties.

CASH OR ACCRUAL BASIS ACCOUNTING: The method of accounting used to record the activities of a business or practice are of considerable importance as these determine the profits and finally, of course, the profits to be reported on for tax purposes. There are two generally accepted systems of reporting: the accrual (or commercial) basis and the cash basis.

Under the accrual basis, income and expenditure are

recorded when the transaction is actually implemented. Thus, income will be recorded on the sale of goods or the providing of a particular service as soon as the right to receipt of such income exists; expenses will be recorded at the time of the purchase of goods or services. In either case, the recording is made irrespective of whether payment has been made or not. Under the cash basis, income and expenditure are recorded on the actual receipt or payment, irrespective of the date of the particular transaction giving rise thereto.

With a few exceptions, only taxpayers belonging to the liberal professions may keep their books on the cash basis. Otherwise, the generally recognized system of accounting is the commercial basis. In fact, it is most certain that the cash basis does not measure up to the receipts and when he refused, they proceeded to void his books of account. This court ruling should be noted by all self-respecting taxpayers.

'TICK POCKETS': In a recent court ruling, the judge held that tax officials were not empowered legally to insist on an *in loco* examination of the taxpayer's person as part of a spot check or audit of the business. The tax inspectors had demanded that a taxpayer permit them to examine the contents of his pockets for possible unrecorded generally accepted accounting principles set by the Institute of Certified Public Accountants in Israel and would require the auditor to qualify his audit report on audited financial statements.

In times of high inflation it is clear that the differences between the two systems are substantial and give rise to a tax device known as "shifting" both by the tax authorities and tax specialists themselves. These two different systems of recording have, in fact, been recognized in various court decisions.

It is interesting to note that even taxpayers belonging to the liberal professions may elect to report on the accrual (commercial) basis. This may have interesting consequences for such taxpayers where the essence of their work or service provided is over a lengthy period of time. Under a progressive system of taxes, the difference of operating between one or other of these two systems may lead to lower or higher marginal taxes.

INTEREST AND LINKAGE ON DEBTS: As of this past January 1, debts to the tax authorities are fully linked and bear interest (also linked) at 12 per cent annually. With such effectively high interest rates, taxpayers would do well to avoid delaying settlement of tax debts (and tax overpayments may not be such a bad investment after all).

The writer is a certified public accountant. Questions may be addressed to him at The Jerusalem Post.

Silicone plant opens

By DAVID RUDGE
Jerusalem Post Reporter

DEGANIA BET. — This veteran, agriculture-based kibbutz took a giant step into the high-tech age Monday with the inauguration of a silicone rubber manufacturing plant.

The \$3 million factory, known as Degania Silicone, is reportedly the first of its kind in the country. With the exception of an agricultural-sprays production plant and a small diamond factory, the produce of its fertile fields provided the kibbutz with its main source of income and work.

Recently, however, Degania Bet's members came to the conclusion that neither man nor kibbutz can live on bananas alone. They decided, along with a growing number of other kibbutzim, to branch out into the field of high-tech industry.

The first steps towards turning the Jordan valley into Israel's "Silicone Valley" were taken in 1984, when an experimental production plant was established after the kibbutz had first acquired the necessary know-how from the U.S.

Degania Silicone, however, is not in the business of making silicone chips, micro or otherwise. The factory, with its sophisticated production facilities, is geared to the manufacture of a variety of goods from silicone rubber. The material, according to company officials, is

extremely tough, yet sufficiently pliable to allow for easy moulding. Unlike ordinary rubber or plastic, silicone rubber can withstand extremes of cold and heat. It is also

Degania Bet's members came to the conclusion that neither man nor kibbutz can live on bananas alone

resistant to oxidation, ozone and radiation, retaining its physical properties, shape and strength for long periods. The material is perhaps best known for the "cosmetic" uses, namely strengthening the outstanding attributes of famous actresses.

Breast reconstruction, however, is only one of a myriad of applications for the versatile material. Degania silicone, which began operating on a running-in basis four months ago, has already succeeded in introducing silicone rubber products to the Israeli market in the medicine, industry, defence and agriculture fields.

Medical products include surgical aids like sutures, sterile covers, tubing, teats for baby bottles, comforters and nipple shields for nursing mothers. The firm intends to expand

its range in the medical field to aids for breast, chin and elbow implants, ear plugs and various surgical devices.

The company is collaborating with Israeli doctors and surgeons in researching and developing new applications for silicone rubber in the medical field.

Products in the military and industrial fields include silicone rubbers seals for numerous purposes from car sunroofs to airplane portholes, shock absorbers and tubing.

Degania Bet, combined its agricultural experience with its new-found knowledge of silicone rubber to produce components for irrigation purposes that reportedly can withstand pressure, extreme temperatures and constant humidity, without aging.

In addition to the home market, the company has already chalked up export successes with sales of medical products to the U.S., Western Europe and Scandinavia. Negotiations are now under way with leading foreign companies to try and boost export sales still further.

The factory complex, with its 1,100 square metres of clean rooms, currently employs 20 kibbutz members, with backgrounds in marketing, chemistry, physics and engineering. Given the continuing successes and growth, Degania Bet intends to double the work-force in the next 12 months.

Company officials said they expect sales for this year to reach at least \$600,000, rising to \$1m. next year and around \$5m. by the 1990s.

Flower show opens in TA

By ANDY COURT
For The Jerusalem Post

The annual Aviv Flower Expo opened yesterday with a million flowers, an exhibition space six times what it was last year and an unprecedentedly large visiting delegation from the Netherlands, the flower centre of the world.

The presence of more than 200 Dutch flower growers and traders, compared with just seven the year before, is a sign of Israel's important position in the Netherlands flower auctions, the event's organizers said.

Israel is able to grow the same types of flowers in winter that Dutch farmers grow in the summer. A significant percentage of summer flowers sold in Holland in the winter comes from Israel, according to Shmuel Kedem, general manager of Aviv Flower Packing House, which is organizing and hosting the event.

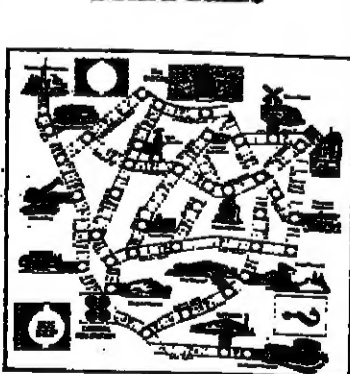
But the attendance of the Dutch as well as smaller groups from Japan, Brazil and West Germany — is also a result of the exposition's impressive growth. Founded three years ago, with 200 square metres of exhibition space, the expo grew to 1,000 square metres last year and 6,000 square metres this year. Some 93 firms are exhibiting.

About 40,000 people attended last year's event, and about 80,000 are expected to attend this year.

Unlike the Flora '87 flower show, planned for Haifa next month, the Aviv Expo is geared for professionals in the flower field. Yet only about 4,000 of those expected to attend are professionals coming to see new varieties, attend special seminars and do business.

The exhibition is open to the public today through Sunday, from 9 a.m. to 10 p.m. (except Friday, when closing time is 5 p.m.). The Aviv Flower Packing House, located in Emek Hefer, is three miles south of Hadera on the old road between Hadera and Beit Loh. Admission for adults is NIS 7.

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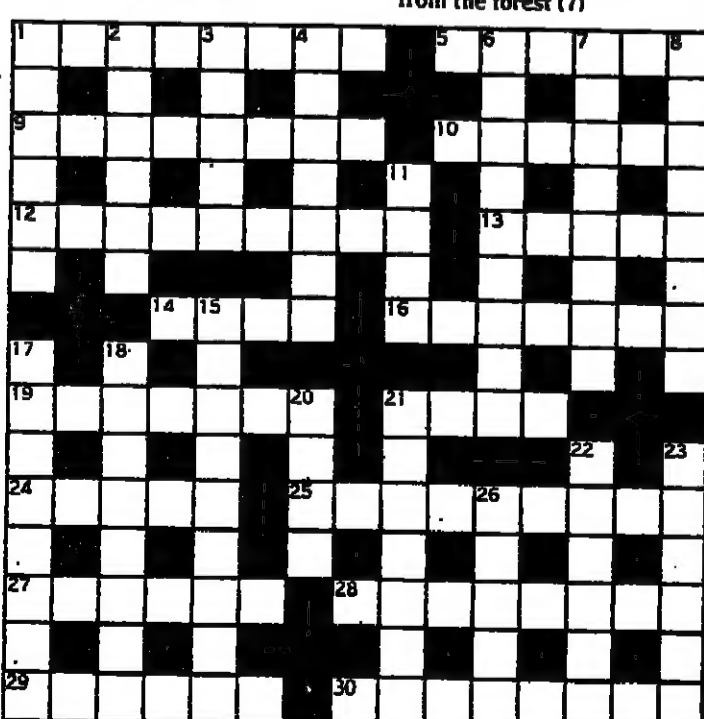
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CROSSWORD

- ACROSS**
- 1 Victorian comic opera put on by Victorian girls (8)
 - 5 A taxi returns to America for early summer (6)
 - 9 poor India loses a respectable man (8)
 - 10 Summed up about 50 of the rotten eggs (6)
 - 12 Sincere attempt was made to ascertain whether body was still alive (9)
 - 13 General and French novelist (6)
 - 14 Is around the church for Sundays, we hear (4)
 - 16 Philippe IV tells what Johnny was so long at (3,4)
 - 19 Ticking off a student's second attempt at the theorem (7)
 - 21 Try for big game (4)

- DOWN**
- 24 Standards of ocean travel have obviously fallen to zero (5)
 - 25 Platform for record output in the shunting yard (8)
 - 27 The ancestry of anyone if not Olegin! (6)
 - 28 Given it, one is subject to no rule without a ruler (4,4)
 - 29 What new boys did at public schools even if exhausted (5)
 - 30 Further note how one can make for forum (8)

- DOWN**
- 6 How temperature is measured a bit at a time (2,7)
 - 7 Lend a runabout car even though a much dated type (8)
 - 8 Sorry tale of single advertisements covering the party (3,5)
 - 11 Restore altered text (4)
 - 15 Ku-Klux-Klan ceremony which endangers no man's land (5,4)
 - 17 A follower has to put down the phone to accomplish the task (5,3)
 - 18 Returning raps on the boxing floor? (8)
 - 20 Fate pronounced fair (4)
 - 21 Show embarrassment on joining Militant (4,3)
 - 22 A plank, but not after walking the plank (6)
 - 23 Rarely are new models produced (6)
 - 26 The Home Counties are the ones I am talking about (5)



Yesterday's Solution

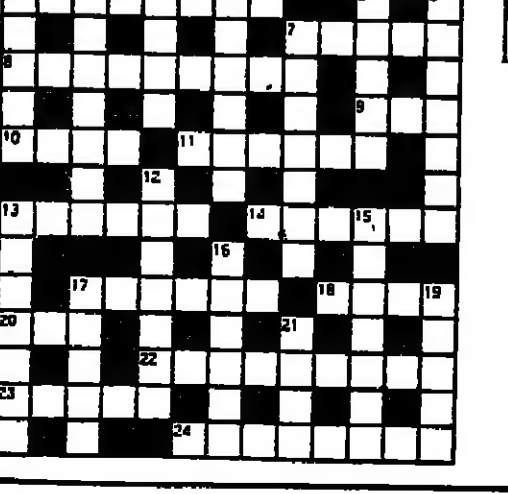
SHOPLIFTING ST
O L A G S H A
FLOODLIGHTS O R
D I S S E M B L E
A B C A O E
FRANTIC VINDOLF
F L T O W E R H E
E L S O V E R T A N G
C O R R I P T I O N
TITULAR TREASURE
E P Y I S D
D E A L P L P D P
A P M A D I T O R D
I R E X R A L A R
L E R S T A N D I N G O U T

QUICK SOLUTION

ACROSS: 7 Ardour, 8 Snails, 10 Rarebit, 11 Trade, 12 Gust, 13 Tait, 17 Gruff, 18 Writ, 22 Sling, 23 Slumber, 24 Amulet, 25 Collie.

DOWN: 1 Barrage, 2 Address, 3 Jumbo, 4 Instant, 5 Wigan, 6 Islet, 9 Steadfast, 14 Druggist, 15 Dribble, 16 Starter, 19 Essay, 20 Pique, 21 Buxom.

QUICK CROSSWORD



- ACROSS**
- 1 The cosmos
 - 7 Narrow street
 - 8 Engagement
 - 9 Tandoori bread
 - 10 Chess piece
 - 11 Sullen
 - 13 Swimmer
 - 14 Lancashire town
 - 17 Light rain
 - 18 Prudish
 - 20 Small rug
 - 22 Fiscal expert
 - 23 Scottish squire
 - 24 Fee for exclusive services
- DOWN**
- 1 Very dark brown
 - 2 Introductory anthem
 - 3 God of Love
 - 4 Swarm of fish
 - 5 Unaccompanied
 - 6 Deadly poison
 - 7 Intoxicating spirit
 - 12 Adored
 - 13 Blackberry bush
 - 15 Twisting
 - 16 Distant
 - 17 Dignified
 - 19 Engine
 - 21 Drug-producing shrub

GENERAL ASSISTANCE

EMERGENCY PHARMACIES

Jerusalem: Medi Plus, 2 Bar-Ilan, 822237; Balam, Salah Eddin, 272315; Shu'afat, Shu'afat Road, 810108; Dar Aldeha, Herod's Gate, 220258.

Tel Aviv: Lamed, 18 Bar-Ilan, Lamed, 423888; Sanitas, 93 Ibn Givoli, 246003.

Ra'anana-Kfar Sava: Mercos Golan, 198 Ahuzat, Ra'anana.

Hesanya: Kupat Holim Meuhedet, 13 Harav Kook, 44855.

Kiryat Motzkin: Kupat Holim, Simat Mod-Tin, Kiryat Motzkin, 715138.

Haifa: Hanesel, 33 Sherot Weizmann, 333512.

DUTY HOSPITALS

Jerusalem: Bikur Holim (pediatrics), Sheara Zedek (internal, obstetrics), Hadassah Ein Karem (surgery, orthopedics, ophthalmology, E.N.T.).

Tel Aviv: Rokah (pediatrics), Ichilov (internal, surgery).

Netanya: Lamed

POLICE 100

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In emergencies dial 102. Otherwise, dial number of your local station as given in the front of the phone directory.

FLIGHTS

24 - Hours Flight Information Service: Call 03-05712484 (multi-line), Arrivals Only (Taped Message) 03-3871111 (20 lines)

FIRST AID 101

Magen David Adom

In emergencies dial 101 in most parts of the country. In addition:

Ashdod 41333 Jerusalem *523133
Ashdod 23333 Kiryat Shmona 4444
Bar-Yam *581111 Kiryat Shmona 4444
Beersheba 74767 Netanya *523333
Carmel *988555 Rehovot *451333
Dan Region *781111 Petah Tikva *923111
Ellat 7233 Rishon LeZion 92333
Hadera 22333 Safed 30333
Haifa *512223 Tel Aviv *240111
Hatzor 36333 Tiberias *90111
Holon 803133

* Mobile Intensive Care Unit (MICU) service in the area, around the clock.

Emek — Emotional First Aid, Tel. Jerusalem 227171, Tel Aviv 261111 (children/youth 03-261113), Haifa 672222, Beersheba 018111, Netanya 35316, Carmel and the north 04-988410.

Rapo-Celis Centre (24 hours), for help call Tel Aviv, 234819, Jerusalem — 248554, and Haifa 382611.

The National Poison Control Centre at Rambam Hospital, phone (04) 582205, for emergency calls, 24 hours a day, for information in case of poisoning.

Kupat Holim Information Centre Tel. 03-433800, 433800 Sunday-Thursday, 8 a.m. to 8 p.m. Friday 8 a.m. to 3 p.m.

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Histadrut charges

Gov't discourages organizing workers

By LEA LEVAVI
TEL AVIV. — Labour and finance ministers in both the Likud and Alignment have thwarted Histadrut efforts to assume responsibility for workers from the territories, Gideon Ben-Yisrael, head of the Histadrut's Organization Division, charged at a press conference here yesterday.

At a news briefing called to announce the publication of a directory of organized work places, Ben-Yisrael said that in the building trades alone there are over 30,000 unorganized Arab labourers from the territories, compared with 9,000 "officially" employed workers, who come through the labour exchanges.

Unorganized workers believe they get a better deal, Ben-Yisrael said, because they didn't pay taxes and have more take home pay. But they don't get insurance coverage and other social benefits.

The Histadrut wants to change this by taking all workers from the territories under its wing, Ben-Yisrael said.

Even employers are finally willing to cooperate, he said, and the unaffiliated International Labour Organization also backs the idea, but Labour and Finance ministries object.

The Finance Ministry fears the loss of National Insurance Institute (NII) payments from unorganized workers once they join the Histadrut and a union pension fund. Although NII fees are slated for worker retirement and other benefits, the govern-

ment in fact uses the money for current general budgetary expenditures, Ben-Yisrael said.

The Labour Ministry wants to preserve its labour exchange empire, he said.

The Histadrut is also waging a campaign against white collar unorganized labour, private employment agencies and personal contracts in the high technology sector. "Most of these workers are Histadrut members as individuals, so it's not a matter of wanting their dues," he said. "We're concerned about these people not having job protection and being liable to arbitrary dismissal."

Ben-Yisrael admitted that some people are leaving the Histadrut, but he could not say how many.

"People don't notify us that they want to leave the organization. When people don't pay on time, it's hard for us to know whether they are on their way out or are simply late in paying because they've lost their jobs or for other reasons. We hope the dues collection process will be completely computerized in a few months, and then we'll get monthly reports on who hasn't paid and be able to contact them to find out why."

He did admit that those who do drop out are usually dissatisfied with the Histadrut Kapat Holim. Meetings with rank and file Kapat Holim members will be organized this spring to try to locate and solve the problems, he said.

14 veteran industrialists honoured

By JUDY SIEGEL
Fourteen veteran industrialists who built up manufacturing in this country when the economy was still very primitive were yesterday awarded citations by the Manufacturers Association.

At the ceremony, held at Beit Hanassi in the presence of President Herzog, a special citation was given to 90-year-old industrialist Yitzhak Trobovich, who established Tet Bet Industries, and 13 others were given Honoured Industrialist prizes.

The honoured industrialists were:

• Yitzhak Bernbach, director-general of Mammut Food Industry Ltd., was born in Poland in 1917. He survived the Holocaust and came here in 1946, where he set up the biscuit company in 1958 with his in-laws.

• Leo Eliezer Blum, chairman of the board of Fibrotex Enterprises Ltd., was born in 1920 in Austria and is a graduate of a Vienna textile vocational school.

He came to Israel in 1953 and established his company in Petah Tikva. Sales now total \$10 million a year, including \$2m. in exports.

• Michael Brum, born in Germany in 1917, came here as a teenager and helped run a company, Intercon Ltd., founded by his father in Jerusalem. Later, he received exclusive rights to produce Wella products.

• Solomon Golan, director of TGI Rubber Co., came to Israel from Canada in 1938. His company, set up in 1953, developed a tyre-cumulative to a sophisticated manufacturer of tank tracks, as well as tyres for combat and civilian planes.

• Ariel Eliezer (Ben-Zion), born in Russia, joined the Pannan Mar-Zion Brothers Ltd. set up by his father here. He directed it for over 25 years with his brother, and developed mines and the Igman, mines for the IDF and equipment for Wekivex.

• Aliza Weisfelder, born in Hungary, came here in 1948 and set up a factory making plastic bags with two employees. Today, the company, Gal Weisfelder Industries Ltd., is the leader in the field and also prints logos on the bags.

• Ya'acov Zilberstein, Pulkis-bro, came to Israel in 1931, and founded a weaving firm that made army blankets and later fibres.

• Amichai Cohen, the director of Masoco Technology Ltd., was born in Russia in 1918. He came here in 1938 and joined a firm that made machines for the construction industry.

• Zvi Federlein, founder of DGB Textiles Ltd., came here in 1935 as a sportsman from Germany to take part in the Maccabiah games. He stayed and set up a company that makes work uniforms, which now employs 55.

• Sara and Ze'ev Peled, came here in 1930 and opened the Shiger brasserie-salon. The company moved from Haifa to Nazareth and expanded into swimming, trousers and other women's fashions, with a new name, Kili Yoni Model Ltd.

• Anatole Nafati Reizman, born in Russia in 1904, was an engineer in France and came here in 1938. He joined his father-in-law in the A. Sinauer and Co. Engineering and helped develop the pumping industry.

• Dr. Alex Rapchak, came here from Germany where he received a doctorate in political science. He set up Jerusalem Press Ltd., Rapchak Ltd., and a number of other companies.

• Ya'acov Tabori, died last week at the age of 72. He set up the first soft drinks company in the country in Pappas Market and later founded Tempe Beer Industries Ltd.



Uniformed U.S. Secret Service agents, some wearing disguises, march in front of the White House on Tuesday to protest the lack of pay raises. The Treasury Department is reportedly reviewing a 12 per cent pay increase for uniformed officers. (AFT Telephoto)

Hapoalim challenges Leumi with loan scheme

By PINCHAS LANDAU
Post Finance Reporter

Bank Hapoalim has hit back quickly and hard in the escalating consumer-banking war it is running with Bank Leumi.

Only a week after Leumi introduced "cash on call," a savings scheme that offers savers access to a loan facility almost throughout the savings period, Hapoalim introduced a rival scheme that tempts savers with the promise of an overdraft facility running as high as NIS150,000 and at below-market interest rates.

The terms of Hapoalim's new scheme have been deliberately set to undercut that of Leumi's. Thus for deposits of between NIS4,000 and 150,000 — compared with NIS 5,000-100,000 at Leumi — the bank will extend an equivalent amount of money to the client's current account either through regular overdraft for household accounts or a credit line business account.

While Leumi offered the loan for up to half the amount saved, Hapoalim is maintaining its "shekel-for-shekel" campaign and offering savers the option of borrowing up to the full amount of their savings. The facility updates automatically every year to take account of the increased value of the savings building up in the saving account.

The loan will be available starting two months after the savings account is opened and continue to be throughout the savings period, again

beating Leumi's offer of three months after the starting point to three months from the end.

Finally, the major difference in the terms of the loan is that Leumi offers the saver a fixed-term loan linked to the consumer price index and costing 4.25 per cent per year. Hapoalim has chosen to make the money available through regular revolving credit facilities such as overdraft and business credit accounts, on which the customer draws as much or as little as he likes and pays unlinked interest on the amount outstanding at any time. This interest has been fixed by Hapoalim at prime plus 1 per cent, compared with the prime plus 2 per cent or more that an overdraft of this size would normally cost.

In practice, this structure is likely to make Hapoalim's loan more costly, but it also offers far more flexibility, since the borrower only pays interest on the amount he is overdrawn, and he may vary this amount according to his needs.

The loan facility is open to any saver making one-time deposits in any of the regular Hapoalim saving schemes.

The latest moves of the two big banks have been echoed only by United Mizrahi Bank among their rivals, and reinforce the impression that the competition for savers' funds, being fought through the medium of loan offers, has become almost the exclusive arena of the giants.

Court holds 7% car price hike

By JONATHAN KARP
Car importers will have to supply the Transport and Finance ministries with more detailed information concerning losses if they expect the government to consider another price increase, the High Court of Justice ruled yesterday.

A similar decision was made last month, but in this case the court did not give the government a deadline by which to examine the importers' financial information.

The new prices for cars with engines of up to 1600 cubic centimetres, which were published March 1, are to remain in effect while the Transport and Finance Ministries review the new data.

The government originally proposed the 7 per cent increase shortly after January's 10 per cent devaluation, but because of the importer's petition to the High Court, the new prices did not take effect until March 1.

FINANCIAL DATA ISRAEL EUROPE U.S.

ISRAEL MONEY MARKETS

SHEKEL INTEREST RATES			
PRIME BORROWING RATE: 2.5% per month			
Unlinked Deposit (Annual Rates)			
Term	Rate	Term	Rate
1-3 MONTHS	11.3%	1-3 MONTHS	11.3%
3-6 MONTHS	12.3%	3-6 MONTHS	12.3%
6-12 MONTHS	13.2%	6-12 MONTHS	13.2%
1-2 YEARS	14.2%	1-2 YEARS	14.2%
2-3 YEARS	15.2%	2-3 YEARS	15.2%
3-5 YEARS	16.2%	3-5 YEARS	16.2%
5-10 YEARS	17.2%	5-10 YEARS	17.2%
10-15 YEARS	18.2%	10-15 YEARS	18.2%
15-20 YEARS	19.2%	15-20 YEARS	19.2%
20-25 YEARS	20.2%	20-25 YEARS	20.2%
25-30 YEARS	21.2%	25-30 YEARS	21.2%

Rates vary according to size of deposit.
(Taps: demand deposit paying daily interest.
Pakam: fixed-term deposit available from 7 to 59 days.)

PATAH — FOREIGN CURRENCY DEPOSIT RATES (March 11)

Currency	3-MONTHS	6-MONTHS	12-MONTHS
USD (\$100,000)	5.750	5.750	5.750
STG (100,000 marks)	5.750	5.750	5.750
DMK (100,000 marks)	3.000	3.000	3.125
SFR (50,000 francs)	3.125	3.125	3.000
YEN (3,000,000 yen)	2.875	2.875	2.825

SHEKEL FOREIGN EXCHANGE RATES (March 11)

Currency	Buy	Sell	Rep.
U.S. Dollar	1.6710	1.6820	1.6750
U.S. Dollar	1.6124	1.6326	1.58
U.S. Dollar	0.8671	0.8780	0.86
U.S. Dollar	2.5702	2.6024	2.51
U.S. Dollar	0.2610	0.2643	0.25
U.S. Dollar	1.0588	1.0589	1.05
U.S. Dollar	0.7689	0.7785	0.75
U.S. Dollar	1.0338	1.0485	1.01
U.S. Dollar	0.2486	0.2528	0.24
U.S. Dollar	0.2313	0.2342	0.22
U.S. Dollar	0.2310	0.2338	0.22
U.S. Dollar	0.3550	0.3594	0.35
U.S. Dollar	1.2098	1.2248	1.19
U.S. Dollar	1.1038	1.1177	1.02
U.S. Dollar	0.7688	0.7786	0.75
U.S. Dollar	0.4176	0.4227	0.41
U.S. Dollar	1.2344	1.2489	1.21
U.S. Dollar	1.2224	1.2378	1.19
U.S. Dollar	—	—	4.52
U.S. Dollar	—	—	0.79
U.S. Dollar	1.8051	1.8277	1.8155

SUPPLIED BY BANK LEUMI

EUROPEAN FINANCIAL MARKETS

(March 11)
GOLD: LONDON A.M. FIX 406.85 P.M. FIX 407.20
PARIS NOON FIX 407.83 ZURICH P.M. 407.45

SILVER: LONDON FIX 554.60
PLATINUM: LONDON P.M. 529.40
PALLADIUM: LONDON P.M. 123.00

FOREIGN CURRENCY CROSS RATES (London 15.30GMT)

Forward Rates	SPOT	2 MTHS	3 MTHS	6 MTHS
DEUTSCHMARK	1.8575/80	1.8725	1.8875	1.9025
POUND STERLING	1.5885/90	1.6035	1.6185	1.6335
SWISS FRANC	1.5885/90	1.6035	1.6185	1.6335
JAPANESE YEN	163.60/70	163.60	163.60	163.60
FRANCO FRANK	8.1850/70	8.1850	8.1850	8.1850
ITALIAN LIRA	1321.00/75	1321.00	1321.00	1321.00
DUTCH GULDEN	2.1110/20	2.1110	2.1110	2.1110
BELGIAN FRANC	36.700/80	36.700	36.700	36.700
DANISH KRONA	7.0045/70	7.0045	7.0045	7.0045
S.AFRICAN RAND	0.4755/62	0.4755	0.4755	0.4755
EUROPEAN CURRENCY UNIT	1.1185/88	1.1185	1.1185	1.1185
FINNISH MARK	4.5480/90	4.5480	4.5480	4.5480
AUSTRALIAN DOLLAR	0.8835/40	0.8835	0.8835	0.8835
NORWEGIAN KRONA	0.8740/70	0.8740	0.8740	0.8740

Formula for determining forward rates:
high/low (eg. 2202/20) — deduct from spot price.
low/high (eg. 210/220) — add to spot price.

NEW YORK FINANCIAL MARKETS

U.S. MONEY RATES

Prime Rate 7.50%; Broker 7.50%-7.25%; NY Euros 3 months 6 1/2% — 3%; Fed Funds late 6 1/4%.

NEW YORK FOREIGN EXCHANGE

PREVIOUS CLOSE	DMK	SFR	STG	YEN	CAN
OPENING	1.8590/80	1.5835/45	1.5880/70	153.70/75	1.3345/50
LATEST	1.8590/80	1.5835/45	1.5880/70	153.60/65	1.3325/30

ISRAELI STOCKS

TRADED IN NEW YORK:

NYSE and ASE

NYSE	Last	Prev. Close	High	Low	Vol ('00s)
Alliance	2 1/4	2 1/4	2 1/4	2 1/4	5
Amir Pap	2 1/2	2 1/2	2 1/2	2 1/2	351
Ampl	2 1/2	2 1/2	2 1/2	2 1/2	142
Cml Cntrs	9 1/2	9 1/2	9 1/2	9 1/2	12
Elect	1 1/2	1 1/2	1 1/2	1 1/2	126
Ez Lavud	1 1/2	1 1/2	1 1/2	1 1/2	126
Laser Inds	14	14 1/4	14 1/4	13 3/4	112

Over the counter

NYSE	Last	Prev. Close	High	Low	Vol ('00s)
Airt	4	22	24	Interpharm	4 1/2
Bank Leumi	10 1/4	10 1/4	11 1/4	Orotach	7 1/2
Elbit	4 1/4	4 1/4	4 1/4	Roda	2 1/4
ECI Tel.	9 1/2	9 1/2	9 1/2	Scitex	4 1/2
Fibronics	10 1/2	10 1/2	10 1/2	Taro-Vit	2 1/4
IDB Bank	3 1/2	3 1/2	3 1/2	Tevapharm	8 1/4
IS	3 1/2	3 1/2	3 1/2	SPI	2 1/4

WALL STREET Closing Prices

Dow Jones Indices	NYSE Highest Volume
IND 2,268.25	CAESARS 27 1/2
TRANS 839.68	ATT 24
UTILS 216.43	AM MOTORS 4 1/4
STOCKS 668.88	PHILIPS PE 14 1/4
NYSE COMP 185.38	SUPRIT GEN 42
NYSE IND 197.40	IBM 141 3/4
NASD COMP 431.46	USF&G CP 47
S-P 100 INDEX 280.29	INCO 14 1/4
AMEX INDEX 328.74	MID-SO LTL 14 1/4
	AM EXPRESS 79 1/2

Statistics

NYSE VOL 186,416,700 STOCKS UP 567 DOWN 664
NASDAQ VOL 141,318,000 (Mar. 10) STOCKS UP 1271 DOWN 836

Comment

Wall Street stocks, were mixed in active trading yesterday as the market tried to recover from the declines caused by the morning's futures-related selling. Profit-taking, however, continued to weigh on the markets. Takeover stocks continued to be actively traded.

American Motors, which received a takeover offer from Chrysler, rose 1/4 to 4 1/4.

OVERSEAS FINANCIAL DATA

PROVIDED BY REUTERS MONITOR

DEMJANJUK ON TRIAL

(Continued from Page 2)

lawyer Mark O'Connor replied to a remark by Levin in his customary, florid and overly polite fashion. "The court does not feel comfortable when you say that you appreciate and thank it for its *hochma* [wisdom]," Levin said.

After the lunch-break, the Israeli members of the defence team, Yoram Sheftel, resumed Rajman's cross-examination. He drew several replies of "I don't remember," when he asked about photos the witness had been shown by investigators in New York.

According to Sheftel, Rajman on one occasion identified Demjanjuk on a photo and even signed the photo on the back, while on another occasion he did not recognize the same picture when it was shown to him in another grouping.

Soon after O'Connor took over the cross-examination, he drew Levin's ire again. O'Connor seemed to make an effort to keep his questions short, but eventually he fell back into his habit of asking long, multi-faceted questions.

Said Levin: "When you ask a question that is misleading, it is my job to react. In your long questions, you sometimes state facts that are unproven, and I have to intervene."

O'Connor's further questions centred on the revolt at Treblinka. The leading role of Zhalo Bloch and Adolf, two former Czech army officers, was mentioned. "Surely, Bloch and Adolf would have killed Ivan the Terrible?" O'Connor asked.

State Attorney Yona Blatman objected to the question, on the grounds that it was speculative, but Levin let it stand.

Rajman replied that there had been many "Ivans" and murderers at Treblinka. "If we could, we would have killed them all," he said.

With this long testimony came to an end.

O'Connor told the dignified 72-year-old man that he admired his patriotism and loyalty to his new country, Uruguay, and also his feeling for Israel, and wished him a long life, "in the sense of Moses, until 120."

Rajman thanked the court for trying "a very big criminal." He also thanked Israel and all the other

countries that had helped in the matter.

Levin told him that he joined O'Connor in wishing him a long life. At about 6 p.m., the next prosecution witness, Police Chief Superintendent Arye Kaplan, was called.

Kaplan was questioned by prosecutor Michael Shaked and read his replies from prepared statements. The tall, Russian-speaking policeman said that, last March, the head of the special unit investigating Demjanjuk, Assistant Commander Alex Ish-Shalom, had told him of his decision to plant an agent with the accused.

Consequently Kaplan was presented to the prisoner as a deputy to the warden in charge of Demjanjuk's cell block. The alternative, to plant another prisoner in the accused's cell, was turned down, Kaplan said. "My job was to make contact with Demjanjuk."

During conversations in his cell and during walks in the exercise yard, Demjanjuk talked about his youth, his war service and his period in German POW camps. "We changed subjects quickly, without any definite pattern," Kaplan said.

At one time Demjanjuk blamed the Jew Kaganovitch for the 10 million Ukrainians who died in the 1936 famine under Stalin. Some estimates put the figure at six to eight million. "He used the pejorative expression for Jew — Yid," Kaplan said.

Demjanjuk also enlarged on the hardships the Russian prisoners suffered at German hands.

"I was ready to die for a loaf of bread, one couldn't refuse the Germans, they'd kill you on the spot," he reportedly said, adding: "Of course, I'm not talking about myself."

Demjanjuk also talked about the post-war period, when he worked for the Ford Motor Company in Cleveland. "There were former German SS men working with me, but today they only pick on Ukrainians," he reportedly said. And again he stressed that he was only speaking in general terms, not about himself, Kaplan said.

"The Jews who burned the bodies are free. The Jews, too, cooperated with the Germans," the accused was quoted as saying.

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SCAM

(Continued from Page One)
that were involved in mergers or acquisitions. Trading shares on the basis of confidential information is illegal and has resulted in stiff fines and other penalties against such Wall Street figures as Ivan Boesky and Dennis Levine in recent months.

The SEC, which regulates the U.S. securities business, said it would demand that Vaskevitch and Sofer return all their \$4m. in profits from the illegal trading. In addition, federal prosecutors are investigating whether criminal charges can be brought against the two.

Neither Vaskevitch nor Sofer lives in the U.S., and neither can be extradited on the basis of a civil complaint

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A cause for comfort

WHETHER or not the appointment of an inquiry panel without judiciary powers will mollify the U.S. on the Pollard affair remains to be seen. But it can be expected to have at least one immediate salutary consequence at home. It can enable Prime Minister Yitzhak Shamir to keep quiet.

Instead of further inane statements, he will be able instead to proclaim that he has nothing to say because an inquiry is under way. All those interested in Israel's relations with the U.S. should find at least some comfort in that.

For we will now be spared hearing that American anger is the result not of the government's misdeeds, but rather is caused by the "hysteria" of the critics in Israel, which apparently, in the premier's view, prompts Washington to remember what it would otherwise forget.

We will also be spared hearing that Pollard did not act in the service of the State of Israel. If that were the case, then presumably the premier should have been the first to seek the arrest of Rafi Eitan. Aviem Sella and the others involved in what was a private enterprise of spying, which must, even in Israel, be against some law. But Mr. Shamir does not seem to think a law was broken, and, on the contrary, has praised Pollard's handlers who were in the employ of the state. Maybe then Mr. Shamir is hinting that Pollard was a plant in the service of the FBI?

And perhaps we will be spared hearing that Israel owes Pollard nothing. That apparently means we owe him nothing because he was caught. But we owe a great deal to a French murderer named Nakash, who fled to Israel and was apprehended here while trying to commit another crime. Him we owe a campaign against the French system of justice. Pollard can rot.

And finally, of course, we will be spared hearing that there is no reason to investigate anything. That all is known, that all the lessons from this little mishap have been learned, and that the nation and its government should be permitted to get on with the really important issues that face it. Like, for example, assuring the next \$3 billion aid package from the U.S.

Through the looking glass

A TEAM of economists from the International Monetary Fund have just completed their organization's annual visit to Israel, to consider and report on the state of the country's economy. After an exhaustive round of meetings with ministers, senior officials, bankers, businessmen and academics, not to mention the Histadrut, they wrote up their main conclusions, packed their bags and went home.

Since Israel, unlike many other countries, doesn't go to the IMF to borrow money when it has a crisis, we are saved the kind of anti-IMF sentiment that infuses political life in places like Brazil. This makes the atmosphere surrounding the IMF delegation's visit much pleasanter and politeness than it might otherwise be. It also imparts a rather detached air to the whole procedure, even if it is granted that the organization's standing gives its reports great weight in the financial community in Europe and the U.S.

Yet the very objectivity of the IMF report represents a good reason to take it more seriously.

Unlike in South America, the organization is not negotiating with Israel over past or future loans and its written suggestions need not be suspected of representing a bargaining position. Therefore, the clear warning contained in the interim report left behind by the delegation this week, that if Israel did not tread carefully, its stabilization plan could fall apart as quickly and dramatically as those of Argentina and Brazil, should be taken at face value.

There will be many people who will find little to cheer in the report's remarks. The Histadrut, for instance, will object to the criticism of the proposed minimum wage legislation, the support of high interest rates and the repeated urgings for wage restraint that the IMF voiced. Many manufacturers, in addition to fearing the effects of a tight money policy, will not be happy with the call to further liberalize trade and exchange regulations and to move faster in reducing direct credit.

The report's insistent nagging to cut government spending would, if it were at all pinpointed, be certain to arouse antipathy from ministers and pressure groups.

In fact, the only people who can have read the report with satisfaction are the Treasury heads and, especially, the Bank of Israel. So close are the report's authors to Governor Michael Bruno's positions in most of the topics they cover that one sometimes wonders who wrote what for whom. Even the vague lip service paid to the need for supply-side measures, and the preference for capital market reform over income tax reform, mirror the priorities of the central bank rather than the Finance Ministry.

Because the IMF delegation was composed, like all IMF delegations, of macroeconomists, its report concentrated on the variables beloved of that profession - prices, wages, the budget and the balance of payments. The thrust of their recommendations in these areas, based on IMF-style economic orthodoxy, is essentially valid for Israel today, as proven by the report's trenchant critique of the negative developments in consumption and real wage increases in 1986. But these are only necessary, and not sufficient conditions for economic recovery in this country.

The suggestion that the government fall back on a "crawling-peg" system of small, frequent devaluations if inflation cannot be kept to one per cent per month after April this year, shows that standard IMF formulae cannot be swallowed as universally applicable aspirins.

It is precisely with regard to the report's off-the-cuff remarks that "higher growth will come only from improvements on the supply side," and its solitary reference to each of the topics of productivity and privatization, that the government - if it still has any interest in economic policy - should seek outside advice. For the rest, Bruno and Co. can do the job admirably.

AMERICA

(Continued from Page One)
to do with either Sella or his air base.
The secretary said the administration has expressed its deep disappointment directly to Israel. He also expressed hope that the Israeli government will undertake a full-scale investigation.

"It is up to the Israelis to decide internally what they wish to do about this matter, but certainly one would hope that they would - if only within their own circle - clarify what happened because I think the process of investigation, although it is painful, in a democracy has a cleansing effect," he said.

While recalling the long-standing principles and interest on which U.S.-Israeli relations are based, the

secretary said he did not want in any way to hide "the distress we feel."

Democratic Representative David Obey of Wisconsin, chairman of the subcommittee, issued a very tough statement charging that Israel had "abused" its friendship with the U.S. by running Pollard. He said that this was not the kind of "conduct we expect" from America's largest foreign aid recipient. He referred directly to the \$3 billion in U.S. aid for Israel, but stopped short of proposing any reduction.

A senior U.S. Justice Department official said he doubted the Israeli government's repeated denials that it had not sanctioned the Pollard operation.

Hypocritical ally

Michael Doron

THE HYPOCRISY of certain American circles in regard to the Pollard affair, constitutes unfair behaviour towards a friend and declared ally.

States that call themselves allies have the right to exchange information important to their national security. But it is not uncommon that part of such information is withheld on secrecy grounds even from an ally. In such a case the party lacking this vital information takes certain steps to obtain the intelligence needed.

It is accepted that to give secret information to an enemy is a crime. But it is not by chance that all of America's enemies are also enemies of Israel. However, not all of Israel's enemies are also the enemies of the U.S. Therefore the information exposed to Israel is secure from reaching Washington's foes, but not the contrary.

One can conclude then that no harm to U.S. intelligence can result from information exposure to Israel, even if it was executed without the knowledge or even against Washington's orders. That would not necessarily be the same in a different case when Israeli secret information would be gathered by American sec-

ret services without the permission of the Israeli establishment.

Information is an important arm in every security organization. The poorer the country and the greater the threat facing it, the more important such information becomes. It is an established fact that diplomatic services the world over serve mainly to gather information.

This is done legally by reading local newspapers or half-legally by conversations, sometimes naive, with local officials; or illegally by gathering information with the help of people who have their different motives. All this is known and clear to all those concerned who appoint and acknowledge various attacks.

THE GATHERING of secret information by an official of a security establishment and its transference to somebody outside the organization is a crime. But it does not harm national security if it is not done for an enemy of the side from which it was taken.

The real loss comes on the side of the information's receiver, in this particular case Israel, because of the

moral feeling that one has stolen something from a friend. But if the information is of vital security importance to the receiving party, the other party should have delivered it of its own will if it is a real ally.

Because of all these considerations I see the behaviour of the Americans (Jews included) as hypocritical and the verdict on the Pollard pair as extraordinarily harsh.

ISRAEL'S MISTAKES lie in our shameful behaviour towards the Pollards, who served us faithfully and with extraordinary Zionist feelings.

We should have taken full responsibility for their deeds, and of those of the others involved in the affair. What they did was done for the people of Israel, in its name and in the name of our highest governmental institutions.

There is no point in the government declaring it didn't know or that those involved acted on their own or against orders. If they committed a crime against ourselves, we have to punish them, but towards the outside world we must assume responsibility, especially our highest institutions.

The writer has served as a scientific attaché in Paris and later in other diplomatic postings in the U.S. and Vienna.

To end the 'affairs' - reform voting system

David Krivine

THE PROMOTION of Aviem Sella - the man who vanished from the U.S. not long after hearing from

tearful Anne Henderson Pollard about her husband's arrest for spying - is just the latest in a number of lunatic acts which must make people wonder whether the government and the Knesset are not suffering from pronounced intellectual fatigue.

They have been around for so long. The electoral system, that despite all promises of reform by the country's two major parties, remains unchanged, is intensely conservative. Factions are elected, not people, and the representatives of these factions are made as immune as possible to swings of opinion in the country.

The factions' leadership is the country's leadership, so we are saddled with a closed system. The 120 Knesset members are a kind of clique or club, dependent not on the electorate but on party headquarters. Their position within the party is bolstered by an exchange of favours procedure which has led to the emergence of "camps," that is, clusters of party members which give their backing to particular prominent personalities in return for preferential treatment when jobs are available.

The prominent personalities share power with each other, so that all remain in office forever. That is why they will not change the electoral system. Everybody knows the existing one is defective. The country is in a state of stagnation.

Coalitions are organized through a scheme of mutual back-scratching. Participants in these corridor negotiations think that is democracy. It is what they are used to inside their own parties.

Choice of Knesset members is made *de facto* by the Knesset members themselves. The electorate has an indirect voice, since it fixes how many parliamentary seats each party receives; but that affects the destiny only of marginal members, those at the bottom of the party list.

Those at the top are secure. They are chosen by each other, that is, via the various give-and-take agreements between the respective camps. These agreements determine who shall be No. 1, No. 2, No. 3; that is, in what order Peres, Rabin, Weizman, and Navon are to stand in Labour, in what order Shamir, Levy, Arens and Sharon are to stand in the Likud, in what order Shapira and Porush are to stand in Agudat Yisrael, and so on.

The electorate has nothing to say, it is not even consulted. The men are irremovable; they also stick together. Each is interested that the others should stay on - including their most bitter enemies. They are aware that they either hang together or hang separately. They quarrel with each other, they break up coalitions, they go to elections. But they re-appear each time afresh, the same faces as before.

We cannot remember when they were not around, the Shahals and the Ya'acobis and the Patts and the Hammers and the Alonis and the Wilners. The only ones missing are

those who grew old; the only new ones are those who replaced them.

That is why so few of them support electoral reform. They think it dangerous. "Who might not be elected?" they say. What they mean is: "We might not be elected."

IT IS KNOWN in business and public administration that individuals should not be kept in the same post for too long because they may go stale. Managers need to be reshuffled at intervals. This is particularly true of very senior jobs that impose tremendous strain on the holder. Israel's military chiefs-of-general-staff are changed every four or five years. In the U.S. a president may not hold office for more than eight years.

Our present leaders have been polishing the front benches of the Knesset ever since anyone can remember. The same clutch of politicians, now in their sixties, have been dominating the national administration since their thirties. Their loss of grip on public affairs may have been caused by the ravages of time.

Things are happening in their own departments which they do not control, or do not know about, or if they do know about them constitute errors of judgment on a near-catastrophic scale.

Once upon a time we understood what our leaders were doing, though we have disagreed with them. Today we no longer understand what is going on up there at the top. Ministers cannot be expected to control every act of their subordinates, but they can infuse their departments with comprehension of what policies have to be pursued, what principles are at stake, what is the difference between right and wrong.

There is no such communication between policy-makers and those who execute policy; or perhaps the policy-makers have nothing to communicate any more, because they themselves have ceased to differentiate between right and wrong.

It is inconceivable that Israel should have spied on the U.S. - and that an American Jew should have been bribed to do it, but it happened. It is inconceivable that

Israel's highly-motivated security service should have killed two Arab prisoners, but it did. It is inconceivable that Israel's justice minister should have refused to extradite William Nakash, wanted in France for murder; but Nakash is still with us. It is inconceivable that the Knesset should have made it illegal to talk with members of the PLO even about the prospects of peace; but such a law was enacted.

It is inconceivable that at a time when our relations with the U.S. are strained to the maximum over the Pollard affair, we should be unable to choose an ambassador to represent us in Washington (because that major appointment too is subject to inter-party bargaining); yet that is the situation.

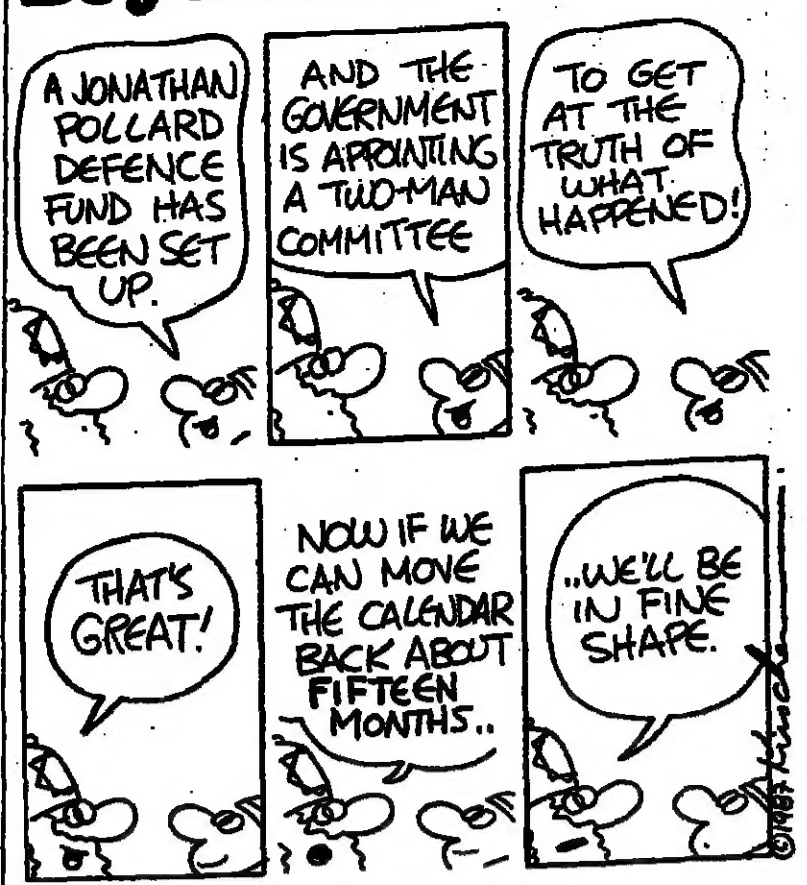
There is no connection left between the will of the nation and the conduct of policy. The democratic process in Israel has jammed up - receiving and giving out wrong signals. There is no solution to the breakdown of the representative system but a reform of the constitution.

The country should stop delegating its authority to party caucuses. The electorate should start voting for individuals. The new system may have faults and shortcomings; but such considerations have ceased to be important. The important thing is to get rid of the present monopolists of power. The time has come to stop Avraham Shapira from behaving as if the parliament of Israel is a private company in which he owns 51 shares.

We need to eliminate the existing political machinery. We need to get rid of the rigid party structure, with its Rabin-camps and Peres-camps and Levy-camps and Sharon-camps. We need new faces and new distribution of authority. We need a new relation between the electorate and its representatives in public life. We need to replace proportional representation with a system of constituencies, as urged by Ben-Gurion 30 years ago. We need a tremendous upsurge of public opinion to force the placeholders who control Israel's legislature to pass the requisite law destroying the pernicious system that has put them where they are.

The writer is a member of The Jerusalem Post editorial staff.

Dry Bones



READERS' LETTERS

THE CONSERVATIVE MOVEMENT

To the Editor of The Jerusalem Post
Sir, - Rabbi Pinchas Peli's article ("Conservatives in crisis," March 3) ends with the assertion that "the sounds emanating these days from 3080 Broadway, the headquarters of the Conservative movement, are not particularly encouraging." It is unclear to me just what sounds he has heard.

To say that the Conservative Jewish leadership has been "ambivalent" about the State of Israel, certainly since Dr. Gerson Cohen's accession to the Chancery in 1972, is simply preposterous. The Seminary today not only requires study in Israel of all its rabbinical students, but it has a thriving Beit Midrash (Midreshet Yerushalayim), and a rabbinical school in Jerusalem training a native Israeli rabbinat for our movement. We now have a growing kibbutz, Hamat in Galilee where there is a dire national need for Jewish growth.

We are expanding and expanding in education and community development throughout Eretz Yisrael. This is not quite the profile of a defensive institution or of a "sinking ship."

Religiosity comes in many forms, and in failing to recognize that, Rabbi Peli has betrayed a fundamental misunderstanding of the strength of Conservative Judaism, particularly for a Jewish society such as the questing society of Israel.

We stand for religious life, which means religious struggle. Our most difficult and controversial decisions followed years of halachic debate and writing; our Masorti movement here has published (through the pen of Rabbi David Golinkin) a thoughtful and reasoned approach to Halacha in our time, and our rabbis in Israel continue to deal with halachic matters of direct import to

Eretz Yisrael, from shmitta, to the practice of bloating lambs prior to sale.

If Rabbi Peli really were to listen to the sounds of 3080 Broadway, he would hear sounds of Tora from 135 rabbinical students and over 300 college and graduate students. And he would hear sounds of deep and sincere *hesed*, from people who put Tora to work in a very imperfect world.

Rabbi GORDON TUCKER
Dean, Rabbinical School
Jewish Theological Seminary
New York

Sir, - Prof. Peli seems to accuse the Conservatives of "intervening in Israeli politics." I would ask him what he would want the Conservative movement to do when its rabbis are not given the right to function fully as rabbis in their own Israeli congregations; when they cannot perform a marriage ceremony for their own members; when they cannot even conduct the burial service for a deceased member. I would ask him what he thinks the Conservative movement should do when huge bill posters are plastered all over a district (like my own in French Hill) warning local parents against sending their infants to a kindergarten in the Conservative synagogue.

The Conservative movement, the Jewish Theological Seminary and its sister organizations are helping their Israeli constituency to strengthen its roots in Israel. This is not "interference in Israeli politics." It is rather the expression of our strong belief that Israel is desperately in need of a Conservative philosophy of Judaism to show that Halacha is dynamic, and above all, to show that in Judaism the ethical values are central.

CHAIM PEARL
Jerusalem

MORAL SUPPORT FOR POLLARD

To the Editor of The Jerusalem Post
Sir, - Wolf Blitzer ("How the Pollard affair was bungled") correctly wrote that "other [Israeli] agents around the world are waiting and watching to see what Israel will do for Pollard."

I would like to add that not only are Israeli agents waiting for Israeli action but so is a sympathetic Israeli public. I am certain there are others who have been following the Pollards' plight, who feel that they have been immorally abandoned by the Israeli government.

It is a caring public's obligation to remind the government of its duty to keep sight of the Pollards.

D. OPOLION
Tel Aviv

Sir, - The Pollard affair has two facets: On the one hand is our government's incredible bungling of the affair and then deserting Pollard when he needed them.

On the other hand, there is the personal aspect of Pollard himself, and I urge as many people as possible to write to him - as I have done via the American Embassy - thanking him for his service to the state of Israel by providing us with information that our supposed "friends" should have supplied. Right now he needs to know that the people of Israel don't forget their heroes, and hopefully, when the dust has settled, he will be welcomed here.

SAM TURECKI
Ra'anana

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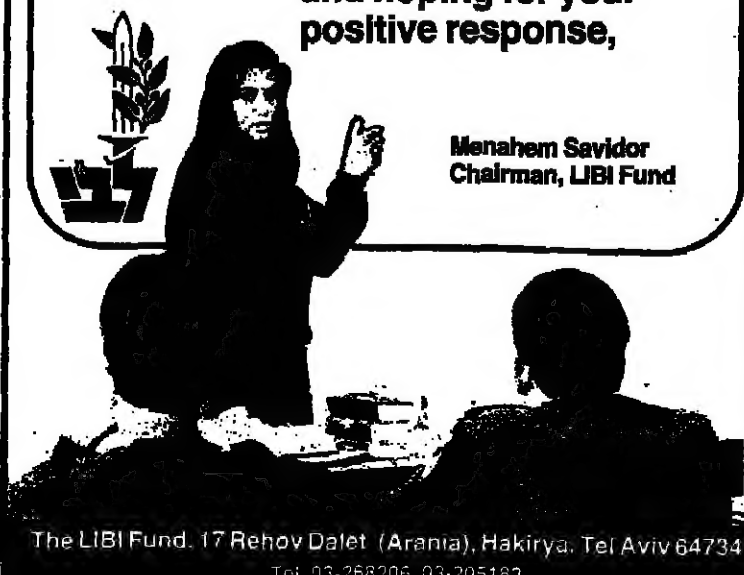
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Menahem Savador
Chairman, LIBI Fund

BARON

(Continued from Page One)
his assistant in the GSS, Reuven Hazak. Hazak in October 1985 had complained to Peres that Shalom had ordered the killing of two captured Arab terrorists and then organized the protracted cover-up that became known as the Shin Bet affair. The Americans, said the sources, now view as ludicrous the appointment of a man to help them clear up the Pollard affair when his own credibility was in question.

Shalom was subsequently forced to resign and seek a presidential pardon for his part in the Shin Bet affair.

It is unknown whether Shalom and Caspi were also kept in the dark about Sella's role in the Pollard affair while assisting Sofer.

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